

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

ROBERT OLAFSON and
PATRICIA OLAFSON

v.

KYLE E. BYRNE, and BFI WASTE
SERVICES OF MASSACHUSETTS, LLC,
and MARGARET HAMILL

CIVIL ACTION NO. 04 10158MLW

REPORT OF LOST EARNINGS CAPACITY OF ROBERT OLAFSON

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Report on Lost Earnings Capacity of Robert Olafson

Prepared for

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July 2005

Report on Lost Earnings Capacity of Robert Olafson

Introduction

At the request of counsel, I have performed a computation of the economic losses that Mr. Robert Olafson suffered from an accident that occurred on October 14, 2002. It is my understanding that Mr. Olafson was on vacation at Martha's Vineyard when he injured his back and right leg in a motor vehicle accident. At the time of the incident, Mr. Olafson was 69 years old and had worked as a Floor Manager at the Naperville Ace Hardware store in Illinois. Mr. Olafson was born on April 23, 1933 and graduated from high school in 1948. He attended the University of Illinois for four years before being drafted by the U.S. Navy. Following his service in the U.S. Navy, Mr. Olafson worked in the construction industry for over 35 years. It is my understanding that Mr. Olafson continued to work as a Floor Manager at Ace Hardware following the accident until he was demoted to a Part-Time Associate in early May 2003.¹ Following his accident, the hours that Mr. Olafson was able to work continually diminished until he resigned from Ace Hardware at the end of February 2004. Mr. Olafson is married and currently resides with his wife in Plainfield, IL.

A copy of my curriculum vita is provided as Appendix A to this report. I am being compensated at a rate of \$225 per hour for this work. Research assistants working under my direction are compensated at a rate of \$75 per hour. The documents and other data that I have relied on in my analysis have been included as Appendix B to this report.

The purpose of this report is to present my computation of the economic losses suffered by Mr. Olafson, which represent his loss of earnings capacity that resulted from the injuries he sustained on October 14, 2002. Based on my review and analysis described below and as shown in Table 1, I have determined that Mr. Olafson has suffered a loss in earnings capacity of \$433,965, on a present value basis. The computation of economic loss includes the following components:

- Lost wages
- Lost fringe benefits
- Lost household services
- Work-life and tax offsets
- Discounting all future losses to a present value as of July 1, 2005

¹ Although Mr. Olafson states in his deposition that his demotion took place in April 2003, Mr. Olafson's letter dated June 3, 2005 included a paycheck statement dated May 2, 2003 that indicated his demotion took place following May 2, 2003. As will be discussed later in this report, Mr. Olafson lost his dental benefits following his demotion and the paycheck statement dated May 2, 2003 is the last one to include deductions for dental benefits. For purposes of this report, I have assumed Mr. Olafson's position as a Part-Time Associate occurred from May 3, 2003 until his resignation in 2004.

The computation of Mr. Olafson's losses proceeds first by analyzing the situation known as the "but for" case which examines Mr. Olafson's earnings capacity had he not been injured. This case is then compared with his actual or residual earnings capacity, reflecting what he may now be able to earn given his medical condition. In addition, Mr. Olafson is no longer able to provide certain household services, which is included in the computation of economic losses. The difference between the present values of Mr. Olafson's "but for" earnings capacity and his residual earnings capacity when added to Mr. Olafson's present value loss of household services is the measure of his lost earnings capacity.

In preparing this report, I have reviewed various materials provided to me by counsel in this case. These include Mr. Olafson's deposition taken on January 4, 2005, Mr. Olafson's 2000 - 2004 tax returns and W-2s, various Ace Hardware paycheck statements, a letter from Mr. Olafson signed June 3, 2005, and a telephone call I had with Mr. Olafson on June 6, 2005. I have also reviewed publicly available information on legally mandated fringe benefits, life expectancy, minimum wage rates in the state of Illinois, effective tax rates, interest rates, and inflation. The remaining sections of the report explain the methods and data sources used in computing each of the various components of Mr. Olafson's lost earnings capacity. Various tables and data are included with the report which provide the computations of lost earnings capacity.

But For Earnings Capacity

In order to determine the lost earnings capacity of Robert Olafson, it is first necessary to compute the present value of his earnings capacity had he not been injured which is commonly known as his "but for" earnings capacity. Had he not been injured, Mr. Olafson would have continued to work as a Floor Manager with Ace Hardware until the end of 2015. This is based on information contained in Mr. Olafson's deposition where he states his intention to work until his death because "he couldn't handle retirement" and he had "to keep busy."² Based on the most recent data available, Mr. Olafson's life expectancy at age 72 in the year 2005 is 12 years. That is, Mr. Olafson is expected to live until 2017 or 84 years of age.³ However, to account for the possibility that Mr. Olafson may develop a debilitating disease or decide to curtail his work activity, I have assumed Mr. Olafson would have continued to work only until the end of 2015.

I have examined Mr. Olafson's wage data provided to me by counsel. Based on a paycheck statement dated October 18, 2002, Mr. Olafson's year-to-date earnings prior to the accident on October 14, 2002 were \$22,478.⁴ I have based Mr. Olafson's "but for" wage level on his pre-injury 2002 annualized earnings. I have calculated Mr. Olafson's 2002 pre-injury annualized earnings as \$28,587. I have applied a zero real (inflation adjusted) growth rate to Mr. Olafson's future wages reflecting the fact that in the future his wage would have increased at the same rate as the overall rate of inflation.⁵

² See, Deposition of Robert Olafson, United States District Court For the District of Massachusetts Docket No: 04 10158MLW, p. 30, lines 16 - 17.

³ Based on data contained in the United States Department of Health and Human Services, Centers for Disease Control and Prevention, "National Vital Statistics Reports, United States Life Tables 2002," Table 5, Volume 53, Number 6. White Males 2002, Published November 10, 2004. These data can be found in Appendix B.

⁴ Buikema Ace is the parent company of Ace Hardware.

⁵ All calculations are performed in "real" dollar terms, and thus have been adjusted for the impact of inflation.

In addition to his wages, there is a second component of earnings capacity that must be computed which is fringe benefits. Fringe benefits include various facets of compensation including social security, workers' compensation, unemployment insurance, health insurance, retirement and savings plans. Fringe benefits are included as part of an individual's earnings capacity for several reasons. First, when evaluating the earnings capacity of an individual, employers and others include fringe benefits as part of total compensation. Employers do not provide fringe benefits as a matter of charity, rather it is done because of market demands, and fringe benefits are an important part of an employee's compensation necessary to attract and retain workers. Second, if a worker is unable to continue working or can only work part-time, that employee must provide (and pay for) his own fringe benefits, such as health insurance. This is a cost to the worker that would not otherwise exist and must be reflected in a lost earnings calculation. Finally, fringe benefits and wages are often viewed as interchangeable. For example, some employers may pay less in salary but do provide life insurance to their employees, whereas other employers may pay a higher wage but do not provide life insurance. Given this interchangeability, fringe benefits must be considered part of a worker's total compensation and earnings capacity.

It is my understanding that Mr. Olafson's fringe benefit package as a Floor Manager included legally mandated fringe benefits, dental benefits, and a 401K plan.⁶ Based on my telephone conversation with Mr. Olafson, he indicated that he did not receive any dental benefits or enroll in a 401K plan until January 1, 2003. As such, only legally mandated fringe benefits are included in Mr. Olafson's "but for" earnings capacity in 2002. I have computed Mr. Olafson's legally mandated fringe benefits as a percentage of wages that workers in the Private Retail Trade Industry would typically receive.⁷ The wage data I have relied upon to calculate these benefits already include paid leave and supplemental pay; therefore I have subtracted these from the legally mandated fringe benefit computation. These legally mandated fringe benefits are equal to 11.67 percent of his 2002 wages and 12.03 percent of his 2003 wages. For 2004 and beyond, I applied the 1994 – 2003 average of legally mandated benefits that workers in the Private Retail Industry typically received, which equals 12.23 percent of wages. Based on data provided to me by Mr. Olafson, his annual dental benefits were equal to approximately \$1,680. My telephone conversation with Mr. Olafson also revealed that Mr. Olafson's 401K plan included a 5 percent employer match. I have calculated Mr. Olafson's fringe benefits in 2003 and beyond to equal 23.11 percent of his wages. Table 2 details my calculation of Mr. Olafson's "but for" fringe benefits.

To allow for the possibility of unemployment, the "but for" earnings capacity figures must be adjusted by the probability of this event happening. The probability of employment is the percentage of persons in the labor force who are actually working and is equivalent to one minus the unemployment rate. I have relied upon employment data that takes into account age

⁶ Legally mandated fringe benefits are the job-related fringe benefits for which employers must make payments under mandate of law. They include employer payments for Medicare and Social Security, unemployment and workers compensation.

⁷ Source: United States Department of Labor, Bureau of Labor Statistics, "Employee Costs for Employee Compensation," <http://data.bls.gov/PDQ/outside.jsp?survey=cc>

and educational attainment.⁸ The employment offset that I have applied in 2002, 2003, and 2004 is the probability of employment for males age 70 – 74 with some college education. For 2005 and beyond, I have applied the 1995 – 2004 average probability of employment for males age 70 – 74 with some college education.

Mr. Olafson's "but for" earnings capacity must also be reduced to account for the effect of income taxes. Mr. Olafson would have been required to pay taxes on the income he would have earned had he not been injured. I have applied an effective tax rate that corresponds to the income level that Mr. Olafson would have achieved over the course of his remaining life. The tax rates used in this report are from tax tables published by the U.S. Internal Revenue Service.⁹

Finally, Mr. Olafson's earnings capacity, which reflects a stream of future payments, must be adjusted to its equivalent monetary value today to account for the opportunity of investing that money. Such a calculation recognizes that the recipient of an award today will be able to invest that award and earn interest up to the date when the loss would have actually occurred. One must also consider the fact that when computing the present value of Mr. Olafson's future losses, the recipient would pay taxes on the interest component of the award, not the lump sum itself. Therefore, the lump sum must be adjusted upward to account for the tax that will be paid in the future on the interest earned on the award. To account for this, I have applied a 2.5 percent after-tax real rate of interest. My estimate of Mr. Olafson's "but for" earnings capacity is \$385,131 and is shown in Table 1.

Residual Earnings Capacity

Mr. Olafson's residual earnings capacity reflects his actual post-injury earnings capacity. Following the accident on October 14, 2002, Mr. Olafson continued to work at Ace Hardware, at significantly reduced hours, until his resignation at the end of February 2004. Mr. Olafson was demoted from Floor Manager to Part-Time Associate in early May 2003. Mr. Olafson stated in his deposition that he resigned because he could no longer walk or stand. There is no indication given Mr. Olafson's current medical condition that he could rejoin the workforce. As mentioned in his deposition, Mr. Olafson is currently using a cane for walking assistance and attends physical therapy sessions twice a week. In addition, Mr. Olafson continues to have difficulty with lifting objects and in fact one of his doctors, Dr. Richard Byrne, placed limitations on what Mr. Olafson could lift.¹⁰

Based on earnings and wage data provided to me by counsel, Mr. Olafson earned \$3,083 following the accident in 2002, \$9,909 in 2003, and \$560 in 2004. Mr. Olafson's post-injury earnings in 2002 were calculated as the difference between his actual 2002 total earnings of \$25,561 and his year-to-date earnings on October 14, 2002 of \$22,478. In 2003, Mr. Olafson earned \$7,438 prior to his demotion in early May 2003.¹¹ Mr. Olafson's 2003 earnings as a Part-

⁸ U.S. Census Bureau, Current Population Survey, Various Years;
<http://www.census.gov/hhes/www/disability/disabcps.html>

⁹ Source: IRS, Statistics of Income Winter 2004-2005 Bulletin, Publication 1136.
<http://www.irs.gov/pub/irs-soi/03in03al.xls>

¹⁰ See, Deposition of Robert Olafson, United States District Court For the District of Massachusetts Docket No: 04 10158MLW, p. 142, lines 5 - 21.

¹¹ Based on Mr. Olafson's paycheck statement dated May 2, 2003.

Time Associate (May 2003 – Dec 2003) were \$2,471.¹² Finally, Mr. Olafson earned \$560 prior to his resignation in 2004.

Mr. Olafson continued to receive certain fringe benefits for as long as he worked at Ace Hardware. Following his demotion, however, Mr. Olafson lost his dental benefits but continued to receive legally mandated fringe benefits and be enrolled in a 401K. All data and data sources used in calculating Mr. Olafson's "but for" fringe benefits were used to calculate his residual fringe benefits. I employed the same methodology as in the "but for" scenario to calculate Mr. Olafson's legally mandated fringe benefits. Mr. Olafson's fringe benefits in 2002 included only legally mandated fringe benefits and were equal to 11.67 percent of his wages. Mr. Olafson's 2003 fringe benefits were equal to a weighted average, reflecting the benefits earned as a Floor Manager and as a Part-Time Associate, of 19.55 percent of his wages. Finally, Mr. Olafson's 2004 fringe benefits included legally mandated fringe benefits and his 401K and were equal to 17.23 percent of his wages. Table 2 details my calculation of Mr. Olafson's "residual" fringe benefits.

As with his "but for" earnings capacity, Mr. Olafson's residual earnings capacity must be adjusted for the possibility of unemployment. Since Mr. Olafson was employed in each year from 2002 – 2004, there is no offset for the possibility of unemployment in his residual earnings capacity.

Mr. Olafson's residual earnings capacity must also be adjusted for the effect of taxes, since the income he would earn post-injury would be subject to taxes. I have applied an effective tax rate that corresponds to the income level that Mr. Olafson earned post-injury. The tax rates used in Mr. Olafson's residual earnings capacity are from the same tax tables published by the U.S. Internal Revenue Service that are used in Mr. Olafson's "but for" earnings capacity. Finally, I used the same after-tax discount rate as that used in Mr. Olafson's "but for" earnings capacity. My estimate of Mr. Olafson's residual earnings capacity is \$15,486 and is shown in Table 1.

Household Services

The lost value of household services is another component of Mr. Olafson's lost earnings capacity. This is the value of services provided by Mr. Olafson around his home that he is no longer able to provide. Based on his deposition and his letter dated June 3, 2005, I have estimated that Mr. Olafson no longer provides 856 hours of household help per year.¹³ I have valued these lost hours at the minimum wage for those working in the state of Illinois. As shown in Table 1, I have computed the present value of Mr. Olafson's lost value of household services using the same discount rate as was done for the "but for" and residual earnings capacities. I have estimated Mr. Olafson's present value loss of household services to be equal to \$64,319.

¹² Calculated as the difference between Mr. Olafson's actual 2003 total earnings of \$9,909 and his earnings as a Floor Manager in 2003 of \$7,438.

¹³ Table 3 shows the estimate of Mr. Olafson's lost household services.

Conclusion

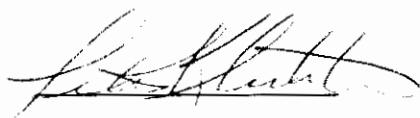
Based on my review of all materials provided to me in this case and publicly available data, I have concluded that Mr. Olafson has suffered lost earnings capacity as follows:

Present Value of "But For" Earnings	\$ 385,131
Present Value of "Residual" Earnings	<u>\$ 15,486</u>
	\$ 369,646

Present Value Loss of Household Services \$ 64,319

TOTAL \$433,965

Finally, I reserve the right to supplement this report should further information or data become available.



Peter K. Ashton

July 22, 2005

Table 1: Present Value of Robert Olafson's Lost Earnings Capacity**But For Earnings Capacity - Robert Olafson**

Period	Year	Age	Wages 0%	Fringe Benefits	Sum of Income & Benefits	Income Tax Factor	*E Factor	Net Earnings	Discount Factor 2.5%	Present Value	Cumulative
-3	2002	69	\$ 6,109	\$713	\$6,822	0.931	0.988	\$6,323	1.000	\$6,323	\$6,323
-2	2003	70	\$ 28,587	\$6,548	\$35,135	0.934	0.918	\$30,522	1.000	\$30,522	\$36,845
-1	2004	71	\$ 28,587	\$6,606	\$35,193	0.934	0.976	\$32,507	1.000	\$32,507	\$69,353
0	2005	72	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	1.000	\$32,381	\$101,733
1	2006	73	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.976	\$31,591	\$133,324
2	2007	74	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.952	\$30,820	\$164,145
3	2008	75	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.929	\$30,069	\$194,213
4	2009	76	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.906	\$29,335	\$223,549
5	2010	77	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.884	\$28,620	\$252,169
6	2011	78	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.862	\$27,922	\$280,090
7	2012	79	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.841	\$27,241	\$307,331
8	2013	80	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.821	\$26,576	\$333,908
9	2014	81	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.801	\$25,928	\$359,836
10	2015	82	\$ 28,587	\$6,606	\$35,193	0.934	0.972	\$32,381	0.781	\$25,296	\$385,131

Lost Earnings Capacity =	\$433,966
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Residual Earnings Capacity - Robert Olafson

Period	Year	Age	Wages 0%	Fringe Benefits	Sum of Income & Benefits	Income Tax Factor	*E Factor	Net Earnings	Discount Factor 2.5%	Present Value	Cumulative	Loss of Household Services
-3	2002	69	\$ 3,083	\$360	\$3,443	0.931	1.000	\$3,230	1.000	\$3,230	\$3,230	\$942
-2	2003	70	\$ 9,909	\$1,937	\$11,847	0.975	1.000	\$11,599	1.000	\$11,599	\$14,829	\$4,408
-1	2004	71	\$ 560	\$96	\$656	1.000	1.000	\$656	1.000	\$656	\$15,486	\$4,708
0	2005	72	\$ -	\$0	\$0	1.000		\$0	1.000	\$0	\$15,486	\$5,564
1	2006	73	\$ -	\$0	\$0	1.000		\$0	0.976	\$0	\$15,486	\$5,428
2	2007	74	\$ -	\$0	\$0	1.000		\$0	0.952	\$0	\$15,486	\$5,296
3	2008	75	\$ -	\$0	\$0	1.000		\$0	0.929	\$0	\$15,486	\$5,167
4	2009	76	\$ -	\$0	\$0	1.000		\$0	0.906	\$0	\$15,486	\$5,041
5	2010	77	\$ -	\$0	\$0	1.000		\$0	0.884	\$0	\$15,486	\$4,918
6	2011	78	\$ -	\$0	\$0	1.000		\$0	0.862	\$0	\$15,486	\$4,798
7	2012	79	\$ -	\$0	\$0	1.000		\$0	0.841	\$0	\$15,486	\$4,681
8	2013	80	\$ -	\$0	\$0	1.000		\$0	0.821	\$0	\$15,486	\$4,567
9	2014	81	\$ -	\$0	\$0	1.000		\$0	0.801	\$0	\$15,486	\$4,455
10	2015	82	\$ -	\$0	\$0	1.000		\$0	0.781	\$0	\$15,486	\$4,347
												\$64,319

* E Factor refers to the probability of employment for males age 70 - 74 with some college education. The probability of employment is the percentage of persons in the labor force who are actually working and is equivalent to one minus the unemployment rate.

Table 2: But For & Residual Fringe Benefit Calculation

But For Fringe Benefits

Component	Amount	% of Annual Wage	Source
Annualized Wage	\$28,587	-	Annualized 2002 Earnings
Dental Benefit	\$1,680	5.88%	Olafson Letter - June 3, 2005
401K Deduction on two paystubs / Exhibits in Olafson letter = 10% of Wage	-	-	Olafson Letter - June 3, 2005
401K Fringe Benefit = 5% Employee Match	\$1,429	5.00%	Olafson Telephone Call - June 6, 2005
Legally Mandated Benefits: 2002	\$3,335	11.67%	BLS
Legally Mandated Benefits: 2003	\$3,438	12.03%	BLS
Legally Mandated Benefits: 1994 - 2003 Avg; Used for 2004 & Beyond	\$3,497	12.23%	BLS
Total Benefits as % of Wage: 2003	22.90%	22.90%	IIC Calculation
Total Benefits as % of Wage: 2004 & Beyond	23.11%	23.11%	IIC Calculation

Residual Fringe Benefits Jan 1, 2003 - May 2, 2003

Component	Amount	% of Annual Wage	Source
Annualized Wage Up Until Demotion - May 2, 2003	\$22,254	-	Annualized Jan - May 2, 2003 Earnings
Dental Benefit- based on annual amount	\$1,680	7.55%	Olafson Letter - June 3, 2005
Dental Benefit- Thru May 2, 2003	\$582	7.55%	IIC Calculation
Actual Wage Until May 2, 2003	\$7,438	-	Olafson Letter - June 3, 2005
401K Deduction on two paystubs / Exhibits in Olafson letter = 10% of Wage	-	-	Olafson Letter - June 3, 2005
401K Fringe Benefit thru May 2, 2003 = 5% Employee Match	\$372	5.00%	Olafson Telephone Call - June 6, 2005
Legally Mandated Benefits Thru May 2, 2003	\$895	12.03%	BLS
Total Benefits as % of Wage	24.58%	24.58%	IIC Calculation

Jan 1, 2003 - May
2, 2003 =
33.42%

Residual Fringe Benefits May 3, 2003 -Dec 31, 2003

Component	Amount	% of Annual Wage	Source
Actual Wage May 3, 2003 -Dec 31, 2003	\$2,471	-	
401K Deduction on two paystubs / Exhibits in Olafson letter = 10% of Wage	-	-	Olafson Letter - June 3, 2005
401K Fringe Benefit May 3, 2003 - Dec 31, 2003 = 5% Employee Match	\$124	5.00%	Olafson Conference Call - June 6, 2005
Legally Mandated Benefits May 3, 2003 - Dec 31, 2003	\$297	12.03%	BLS
Total Benefits as % of Wage	17.03%	17.03%	IIC Calculation

May 3, 2003 - Dec
31, 2003 =
66.58%

Weighted Average Residual Fringe Benefits 2003

	% of Annual Wage
Total Benefits as % of Wage	19.55%

Residual Fringe Benefits 2004

Component	Amount	% of Annual Wage	Source
Actual Wage 2004	\$580	-	
401K Deduction on two paystubs / Exhibits in Olafson letter = 10% of Wage	-	-	Olafson Letter - June 3, 2005
401K Fringe Benefit 2004 = 5% Employee Match	\$28	5.00%	Olafson Conference Call - June 6, 2005
Legally Mandated Benefits 2004	\$88	12.23%	BLS, Cell 070
Total Benefits	\$98	-	
Total Benefits as % of Wage	17.23%	17.23%	IIC Calculation

Fringe Benefits - Retail Trade Industry, Private Industry; Source: U.S. Department of Labor, Bureau of Labor Statistics.

	Total Comp.	Wages	Wages incl. Paid Leave & Suppl. Pay	Paid leave	Suppl. Pay	Legally Required Benefits
1994	\$9.17	\$7.14	\$7.65	\$0.37	\$0.14	\$1.01
1995	\$9.32	\$7.30	\$7.80	\$0.35	\$0.15	\$1.01
1996	\$9.54	\$7.50	\$8.01	\$0.35	\$0.16	\$1.00
1997	\$9.92	\$7.81	\$8.36	\$0.37	\$0.18	\$1.03
1998	\$10.33	\$8.17	\$8.73	\$0.38	\$0.18	\$1.07

Table 3: Household Services Calculation

Source: Robert Olafson Letter, June 3, 2005 & Robert Olafson Deposition

Services:	Pre-Injury Hours Per Week	Pre-Injury Hours - Frequency	Pre-Injury Annual Hours	Post-Injury Annual Hours
Outdoor Services:				
Gardening	3	Seasonal	93	0
Washing Windows	1	Seasonal	31	0
Misc. Paint and repair house	2	Seasonal	62	0
Seal court driveway	6	Per Season	6	0
Erect Christmas, Halloween, and various seasonal decorations	40	Per Season	40	0
Indoor Services:				
Vacuum and clean floors	2	All Year	104	0
Misc. cleaning, dusting, and scrubbing floors	4	All Year	208	0
Misc. painting, touch up, and general household upkeep	4	All Year	208	0
Garbage Removal, sak blocks, general repairs	2	All Year	104	0
Total Annual Hours:			856	0
Loss of Annual Imputed Hours Post-Injury and Beyond:			100.00%	
Loss of Annual Imputed Hours for 2002:				183
Loss of Annual Imputed Hours for 2003 and Beyond:				856
State of Illinois Minimum Wage:				
2002 : \$5.15 per hour				
2003: \$5.15 per hour				
2004: \$5.50 per hour				
2005 & Beyond: \$6.50 per hour				
Value of Lost Household Services:				
Value of Lost Household Services, 2002:			\$942.07	
Value of Lost Household Services, 2003:			\$4,408.40	
Value of Lost Household Services, 2004:			\$4,708.00	
Value of Lost Household Services, 2005 - 2017:			\$5,564.00	

*Total Pre-Injury Hours based on information obtained from Mr. Olafson

* Seasonal: April - October; = 31 weeks

* Per Season = Once a year

Appendix A

Curriculum Vita of Peter K. Ashton

Peter K. Ashton

Peter K. Ashton is a founder of Innovation & Information Consultants, Inc. and serves as its president. Prior to founding Innovation & Information Consultants, Inc., Mr. Ashton was a senior consultant with Putnam, Hayes & Bartlett, Inc. and Charles River Associates Incorporated. He has directed major consulting projects for private clients as well as in the public sector. Mr. Ashton's primary fields of expertise are antitrust and regulatory analyses, valuation, energy economics, and labor market studies. A sample of Mr. Ashton's recent work includes the following:

Expert Testimony and Litigation Support

- Mr. Ashton prepared an expert report and testimony on the market value of crude oil produced on federal lands in the United States over the period 1988-1998. He compiled a large database of crude oil transactions that formed the basis for the computation of the arm's length prices for crude oils produced in the Louisiana Gulf, Texas, the Rocky Mountain area and the West Coast. As part of the work he analyzed rates on various crude oil pipelines in each of the affected regions.
- Mr. Ashton provided expert analysis relating to the pricing of gasoline in California and other West Coast markets. He performed various analyses of the relevant markets, pricing trends, reviewed relevant company and third party documents, and assisted counsel in development of the theory of the case. He also assisted other experts in analysis of price and supply data.
- He has prepared expert reports and testified on numerous occasions in cases involving the computation of lost earnings, lost profits, and other economic losses associated with wrongful death, personal injury and wrongful termination claims. Mr. Ashton has also developed various models of earnings capacity in different professions and has performed studies of comparative earnings growth in a variety of professions.
- He provided testimony in several oil pipeline rate cases before the Federal Energy Regulatory Commission (FERC) on behalf of various shippers. Mr. Ashton developed a cost of service model to show that in recent years several pipelines had been charging rates far in excess of an appropriately calculated cost of service. He analyzed the relative business and financial risks of these pipelines to show that in the future, these pipelines face minimal risk from competing pipelines, and that their rates should reflect this fact. In one matter he developed a stand alone cost model to evaluate the rates of a single pipeline.

- Mr. Ashton provided expert testimony defining the relevant product and geographic markets for window shade products and also analyzed claims that a distributor and retailer of such products had been charged anticompetitive prices and had been unfairly harmed as a result of violations of California's state antitrust laws. He also developed damage estimates to indicate the dollar value of the harm suffered by the retailer/distributor.
- He provided expert testimony on the damages suffered by the owner of a marina as a result of a gasoline spill. Mr. Ashton's testimony focused on various economic losses including lost profits, loss of goodwill and business interruption losses as well as the general economic conditions facing relevant marina owners at that time.
- Reviewed and analyzed the rates filed by various pipeline companies in several matters before FERC. He has analyzed the cost of service computations of these companies, evaluated rates in comparison with competing carriers, and assessed the impact that rates have on shippers. He has evaluated the market and business environment of pipelines to ascertain the relative riskiness in which such pipelines operate and he has developed financial measures relating to the operating performance of such pipelines.
- Prepared expert testimony before the Maine Public Utilities Commission regarding the ability of a regulated transportation company to set predatory (below-cost) rates in an unregulated business through cross-subsidization. Analyzed the extent to which the regulated utility had market power in the unregulated industry and whether its decision to add additional capacity in the regulated industry would allow it to unfairly expand its business in the unregulated sector.
- Prepared expert testimony before FERC and the California Public Utilities Commission on the filings of several newly-regulated common carrier pipeline companies in California. Mr. Ashton assessed the degree to which the pipeline companies may have been able to exercise market power in setting their rates and compared the carriers' rates to the rates of existing alternative non-regulated carriers and other modes of transportation. Analyzed the rates and critiqued the rate-making methods used by the various pipeline companies.

Public Policy and Tax Issues

- Mr. Ashton has performed a detailed analysis of the impacts of deepwater royalty relief on leasing, exploration and production in the Gulf of Mexico. This study involved the use of econometric models of leasing behavior that analyzed the impacts of competition, royalty relief, changes in technology, movements in oil and gas prices and numerous other factors on lease bonus bids and the number of leases sold. Mr. Ashton also projected future impacts of various royalty relief scenarios on royalty and lease bonus revenue as well as impacts on

future exploration, development and production of oil and gas resources in the Gulf of Mexico.

- For the U.S. Small Business Administration, Mr. Ashton directed a study that examined the differential impact of the trend toward electronic commerce and procurement by the federal government. The study concluded that small firms generally are less effective in taking advantage of e-business and e-procurement tools, although small firms are making improvements in their ability to attract business via the web.
- He directed a major study of the transfer pricing program of a major Fortune 500 company and developed alternative benchmarks for determining appropriate transfer prices consistent with Section 482 of the Internal Revenue code. He also analyzed various cost sharing agreements maintained by the company for the allocation of R&D expenses, and the provision of various services provided to foreign subsidiaries.
- Mr. Ashton directed a study to develop a comprehensive model of the exploration, development and production process of oil and gas resources in the Gulf of Mexico for the Minerals Management Service (MMS). He has developed the economic module that models decision-making behavior with regard to the decision to bring on new resources and determine when it is economic to begin producing from these fields.
- He analyzed the fair market value of the worldwide assets of a major multinational company for purposes of determining an appropriate method and basis for allocating interest expense under Section 861 of the IRS regulations. Mr. Ashton has provided expert advice on this issue in several matters, pointing out the need for consistency with the relevant regulations and use of appropriate valuation methods.
- Analyzed the extent to which certain insurance companies were able to pass on an unconstitutional tax to their customers. Mr. Ashton assessed potential market share impacts and the regulatory framework that permitted cost-plus pricing to determine the extent of pass-on. He also utilized tax incidence analysis and econometric studies to derive preliminary estimates of the extent of passthrough of the tax.
- Prepared expert analyses computing an arm's length royalty consistent with Section 482 of the IRS regulations for various intangible assets transferred under a licensing agreement between a domestic parent and a foreign subsidiary. The work involved estimating the value of the technology being transferred and determination of an appropriate royalty rate.
- Assisted in the evaluation of a proposed transfer pricing methodology (TPM) for purposes of negotiating an advanced pricing agreement with the Internal Revenue Service. Mr. Ashton

analyzed and critiqued the TPM, and recommended various alternative approaches consistent with the new Section 482 regulation.

- Analyzed the impact of various tax expenditure programs on small and large firms. Mr. Ashton utilized detailed data from the Treasury to assess the impact on effective tax rates of various programs such as foreign tax credits, low income housing credit, accelerated depreciation, and the business means and entertainment tax deduction.

Business Strategy Studies

- For an oil producer, Mr. Ashton evaluated a proposed sliding scale royalty agreement that was pegged to future oil prices. Mr. Ashton analyzed the most likely royalty payment under the proposed scheme given information on projections of crude oil prices, inflation and production costs over the next ten years. He analyzed alternatives to the proposed royalty schedule and quantified the effect of these alternatives on the estimated royalty payments.
- Assisted a major computer manufacturer develop and implement a strategic plan for marketing its computer technology to law firms and other legal entities. This assignment involved developing an overall understanding of the legal marketplace and the demand for automated litigation support equipment as well as planning a strategy to assist in properly positioning the company's products.
- Conducted a detailed study of the business strategies of the leading manufacturers in the motorcycle marketplace to test various hypotheses regarding the dramatic shift in market structure that occurred during the 1980s. Mr. Ashton analyzed trends in market growth, the effects of various government policies, and the effects of various macroeconomic effects on the changes in industry structure.
- Analyzed the fair market value of a large, privately-held corporation with principal operations overseas. Involved assessing the relationship between the host government and the corporation, and providing an estimate of the relative political and environmental stability of conducting business in that country, and its impact on the company's market value.

Mr. Ashton received an A.B. degree in Economics and Political Science from Colby College (*magna cum laude* and *Phi Beta Kappa*) in 1976, and received an M.I.A. degree in International Economics and Business from the School of International Affairs at Columbia University in 1978. Mr. Ashton is a member of the American Economic Association and the Southern Economic Association.

Publications and Speeches (Last 10 Years)

Implementation of a Price Sensitive Sliding Scale Royalty for State Oil and Gas Leases, prepared for the California State Lands Commission, May 1995.

Impact of Electronic Data Interchange Technology on Small Business, U.S. Small Business Administration, July 1995.

Crude Oil Marketing, prepared for Minerals Management Service, Valuation and Standards Division, July 1997.

"Financial and Economic Indicators of Local Tax Burdens and Incentives to Invest in Various Localities," November 2000.

"Recent Volatility in Gasoline Prices: Is it the Market or the Marketers?" May 2002.

"Cost Sharing Regulations Embodied in the IRS Section 482 Transfer-Pricing Regulations: Recent Experience and Lessons Learned," Internal Revenue Service, CPE Seminars, August 2002.

Modeling Exploration, Development and Production in the Gulf of Mexico, U.S. Department of Interior, Minerals Management Service, Environmental Studies Program, Herndon, VA, OCS Study MMS 2—4-018, March 2004.

The Impact of Tax Expenditure Policies on Incorporated Small Businesses, with Justin White, U.S. Small Business Administration, Office of Advocacy, Washington, D.C., April 2004.

Trends in Electronic Procurement and E-Commerce and Their Impact on Small Business, with Mary Ann Buescher, U.S. Small Business Administration, Office of Advocacy, Washington, D.C., June 2004.

Testimony (Last 10 Years)

Implementation of a Price Sensitive Sliding Scale Royalty for State Oil and Gas Leases, Testimony before the California State Lands Commission, May 1995.

Application of Pacific Pipeline System, Inc., Prepared written testimony before the California Public Utilities Commission, May 1995. Work performed on behalf of Wright and Talisman, San Francisco, California.

Farmland Industries, Inc. v. Commissioner of Internal Revenue, Docket No. 11881-93, Written and live testimony, May and June 1995. Work performed on behalf of U.S. Internal Revenue Service, Kansas City, Missouri.

Nick C. Rini v. Robert N. Goldman, Docket No. 94-11367-PBS, Deposition and live testimony, February 1996. Work performed on behalf of Welte & Welte, Camden, Maine.

Union Oil Company of California v. Pioneer Oil and Gas et al., Case No. SM92229, Deposition testimony, October 1996; Live testimony, January 1997. Work performed on behalf of McMahon & Spiegel, Los Angeles, CA.

Blind Design, Inc. v. Hunter Douglas, Inc. et al., Case No. 686230, Deposition testimony, February 1997. Work performed on behalf of Sheppard, Mullin, Richter & Hampton, San Diego, CA.

In the Matter of Beacon Oil Company, Contract No. DE-SC01-79-RA-32028, Deposition testimony, February 1997; trial testimony, March 1997. Work performed on behalf of the U.S. Department of Energy.

Brenda Reeves v. George Anderson et al., Case No. CV-95-506, Deposition testimony February 1997. Work performed on behalf of Platz & Thompson, Lewiston, ME.

State of Texas, et al. v. Amoco Production Co. et al., No. 95-08680, Deposition testimony, April 1997. Work performed on behalf of Susman Godfrey, L.L.P.

Timothy Morse v. Frozen at Sea Partners, III et al., Docket No. 96-361-P-H, Deposition testimony, September 1997. Work performed on behalf of Welte & Welte, Camden, ME.

Execu-Tech Business Systems Inc., et al. v. Appleton Papers Inc., et al., Case No. 96-9639, CACE 05, Deposition testimony, September 1997; trial testimony, November-December 1997. Work performed on behalf of Heins, Mills & Olsen, Minneapolis, MN.

Olde Port Mariner Fleet, Inc. Complaint re Casco Bay Island Transit District's Tour and Charter Service, Docket No. 98-161, prepared written direct and rebuttal testimony before the Maine Public Utilities Commission, July and September 1998. Oral testimony, October 1998. Work performed on behalf of Edward F. Bradley, Jr., Portland, ME.

SouthPort Marine v. Boston Towing & Transport and Gulf Oil Corp., deposition and trial testimony, April 1999, work performed on behalf of Welte & Welte, Camden, ME and Flanagan & Hunter, Boston, MA.

Peter R. Bragdon v. Irving J. Morrison, Docket No. CV-98-76, deposition testimony, June 1999, work performed on behalf of Platz & Thompson, P.A., Lewiston, ME.

Northern Utilities, Inc. Petition for Waivers from Chapter 820, Docket No. 99-254, written testimony filed before the Maine Public Utilities Commission, May 2000. Work performed on behalf of Edward F. Bradley, Jr., Portland, ME.

United States ex rel. J. Benjamin Johnson, et al. vs. Shell Oil Company, et al., Case No. 9:96CV66, expert reports and deposition testimony, February, May, and July 2000. Work performed on behalf of the Justice Department, Civil Division, Washington, D.C.

Fidelity Oil Co. vs. Shell Western E&P Inc. and Shell Oil Co., Case No. DV-98-5817, expert report, June 2001, rebuttal report, December 2001. Work performed on behalf of Crowley, Haughey, Hanson, Toole, & Dietrich, P.L.L.P.

Big West Oil Co. v. Frontier Pipeline Company and Express Pipeline Partnership and Chevron Products Company v. Frontier Pipeline Company and Express Pipeline Partnership, Docket Nos. OR01-02-002 and OR01-04-001, prepared direct testimony, November 2001. Worked performed on behalf of Goldstein & Associates, Washington, D.C.

Big West Oil Company v. Anschutz Ranch East Pipeline, Inc. and Express Pipeline Partnership, and Chevron Products Company v. Anschutz Ranch East Pipeline, Inc. and Express Pipeline Partnership, Docket Nos. OR01-03-002 and OR01-05-001, prepared direct testimony, November 2001. Work performed on behalf of Goldstein & Associates, Washington, D.C.

"Gas Prices: How Are They Really Set?" Hearings before the Permanent Subcommittee of Investigations of the Committee on Governmental Affairs, U.S. Senate, May 2, 2002.

Big West Oil, LLC, Chevron Products Company, and Tesoro Refining and Marketing Company v. Express Pipeline LLC and Platte Pipe Line Company, Docket No. OR02-5-000; *Big West Oil, LLC, Chevron Products Company, Sinclair Oil Corporation and Tesoro Refining and Marketing Company v Express Pipeline LLC*, Docket No. OR02-8-000; *Big West Oil, LLC, Chevron Products Company, and Tesoro Refining and Marketing Company v. Platte Pipe Line Company*, Docket No. IS02-384-000. Prepared direct and answering testimony, March 27, 2003. Worked performed on behalf of Goldstein & Associates, Washington, D.C.

Sinclair Oil Corporation v. BP Pipelines (N.A.), Inc., Docket No. OR02-6-02; Prepared direct testimony, September 2003; rebuttal testimony, March 2004. Work performed on behalf of Goldstein & Associates, Washington, D.C.

Public Hearing on Property Tax Classification, Hearings before Massachusetts Department of Revenue, May 2004, direct testimony on proposed modification to state property tax classification system.

Marc Leslie and Mary Leslie v. Winslow Marine, Inc., Docket No. BATSC-CV-2003-00031; Deposition testimony, February 2005. Work performed on behalf of Tompkins, Clough, Hirshon and Langer, P.A.

Appendix B

Supporting Data and Information

Mr. Olafson Wage History

Year	Wage	Employer
Jan - Oct 13, 2002	\$22,478	Buikema Enterprises Ltd.
2002 Total	\$25,561	Buikema Enterprises Ltd.
2003	\$9,909	Buikema Enterprises Ltd.
2003 Total	\$9,909	Buikema Enterprises Ltd.
2004	\$560	Buikema Enterprises Ltd.
2004 Total	\$560	Buikema Enterprises Ltd.
NOTE Buikema Enterprises Ltd. is the parent company of Ace Hardware.		

Mr. Olafson But For Earnings Calculation

Jan 1, 2002 - October 14, 2002 = 78.63% of the year 2002
 October 15, 2002 - December 31, 2002 = 21.37% of the year 2002

Year	Wage	Employer
2001 Total	\$28,684	Home Depot & Buikema Enterprises Ltd.
Jan - Oct 14, 2002	\$22,478	Buikema Enterprises Ltd.
Actual 2002 Total Earnings	\$25,561	Buikema Enterprises Ltd.
Actual Earnings Following Accident	\$3,083	Buikema Enterprises Ltd.
Annualized 2002 Earnings based on earnings up until accident	\$28,587	Buikema Enterprises Ltd.
NOTE Buikema Enterprises Ltd. is the parent company of Ace Hardware.		

Employer's EIN number 160		OMB No. 1545-0008		This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.	
Employer identification number 36-4120114		1 Wages, tips, other compensation 25561.47		2 Federal income tax withheld 832.02	
Employer's name, address, and ZIP code BUIKEMA ENTERPRISES LTD 1030 N. WASHINGTON ST NAPEVILLE IL 60563-2700		3 Social security wages 25561.47		4 Social security tax withheld 1584.81	
		5 Medicare wages and tips 25561.47		6 Medicare tax withheld 370.64	
		7 Social security tips .00		8 Allocated tips .00	
		9 Advance EIC payment .00		10 Dependent care benefits .00	
Employee's social security number 350-26-1920		11 Nonqualified plans .00		12a See instructions for box 12 .00	
		13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b .00	
		14 Other .00 .00 .00 .00		12c .00	
				12d .00	
Employer's state ID number 6-4120114		16 State wages, tips, etc. 25561.47	17 State income tax 572.75	18 Local wages, tips, etc. .00	19 Local income tax .00
		.00	.00	.00	20 Locality name

W-2 Wage and Tax Statement

For EMPLOYEE'S RECORDS. (See Notice to see on back of Copy B).

2002

(Rev. February 2002)

Department of the Treasury—Internal Revenue Service

Safe, accurate,
FAST! UseVisit the IRS Web Site
at www.irs.gov.

a Control number		143		OMB No. 1545-0008		This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.	
b Employer identification number		36-4120114		1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code		BUKEMA ENTERPRISES LTD 1030 N. WASHINGTON STREET NAPERVILLE IL 60563		9909.39		64.21	
d Employee's social security number		36-26-1920		3 Social security wages		4 Social security tax withheld	
e Employee's name, address, and ZIP code		ROBERT D OLAFSON 13448 S REDBERRY PLAINFIELD IL 60544-0000		11035.32		634.19	
1 State		36-4120114		5 Medicare wages and tips		6 Medicare tax withheld	
16 State wages, tips, etc.		9909.39		11035.32		160.01	
17 State income tax		132.50		7 Social security tips		8 Allocated tips	
18 Local wages, tips, etc.		.00		.00		.00	
19 Local income tax		.00		9 Advance EIC payment		10 Dependent care benefits	
20 Locality name				.00		.00	
11 Nonqualified plans		.00		12a See instructions for box 12		1123.90	
13 Salaried employee		<input type="checkbox"/>		12b		.00	
14 Other		.00		12c		.00	
15 State		36-4120114		12d		.00	
16 State wages, tips, etc.		9909.39		12e		.00	
17 State income tax		132.50		12f		.00	
18 Local wages, tips, etc.		.00		12g		.00	
19 Local income tax		.00		12h		.00	
20 Locality name				12i		.00	

Form **W-2** Wage and Tax
Statement

2003

Department of the Treasury—Internal Revenue Service

Safe, accurate, fast file Visit the IRS Web

2004 W-2 and Earnings Summary

This blue Earnings Summary section is included with your W-2 to help describe portions in more detail. The reverse side includes general information that you may also find helpful.

1. The following information reflects your final 2004 pay stub plus any adjustments submitted by your employer.

Gross Pay	559.80	Social Security Tax Withheld	34.71	IL State Income Tax	Box 17 of W-2
		Box 4 of W-2		SUI/SDI	Box 14 of W-2
Fed. Income Tax Withheld		Medicare Tax Withheld	8.12		
Box 2 of W-2		Box 6 of W-2			

2. Your Gross Pay Was Adjusted as follows to produce your W-2 Statement.

	Wages, Tips, other Compensation	Social Security Wages	Medicare Wages	IL State Wages, Tips, Etc.
	Box 1 of W-2	Box 3 of W-2	Box 5 of W-2	Box 16 of W-2
Gross Pay	559.80	559.80	559.80	559.80
Reported W-2 Wages	559.80	559.80	559.80	559.80

3. Employee W-4 Profile. To change your Employee W-4 Profile Information, file a new W-4 with your payroll dept

ROBERT D OLAFSON
13448 S REDBERRY
PLAINFIELD, IL 60544

Social Security Number: 350-26-1920
 Taxable Marital Status: **MARRIED**
 Exemptions/Allowances:
FEDERAL: 4
STATE: 4

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4 Social security tax withheld
34.71

6 Medicare tax withheld
8.12

80
apl **Corp.** **Employer use only**

106023 **T** **EIC** **143**

4, address, and ZIP code
MA ENTERPRISES LD
N WASHINGTON ST
PERVILLE IL 60563-2700

Batch #03105

Employer's FED ID number **36-4120114** **d Employee's SSA number** **350-26-1920**

Social security tips **8 Allocated tips**

Advance EIC payment **10 Dependent care benefits**

Nonqualified plans **12a See instructions for box 12**

Other **12b**
12c
12d

13 Stat emp./Not plan/3rd party sick pay

Employee's name, address and ZIP code
ROBERT D OLAFSON
3448 S REDBERRY
LAINFIELD, IL 60544

State **Employer's state ID no.** **16 State wages, tips, etc.**
IL **36-4120114 000 4** **559.80**

State income tax **18 Local wages, tips, etc.**

Local income tax **20 Locality name**

file, accurate, e-file Visit the IRS Web Site at www.irs.gov.

Employee Reference Copy
W-2 Wage and Tax Statement 2004
 OMB No. 1545-0048

W **Wages, tips, other comp.** **2 Federal income tax withheld**
559.80

Social security wages **4 Social security tax withheld**
559.80 **34.71**

Medicare wages and tips **6 Medicare tax withheld**
559.80 **8.12**

Control Number **Dept.** **Corp.** **Employer use only**
11920 93/MPE **106023** **T** **EIC** **143**

Employee's name, address, and ZIP code
BUKEMA ENTERPRISES LD
1030 N WASHINGTON ST
NAPERVILLE IL 60563-2700

Employer's FED ID number **d Employee's SSA number**
36-4120114 **350-26-1920**

Social security tips **8 Allocated tips**

Advance EIC payment **10 Dependent care benefits**

Nonqualified plans **12a See instructions for box 12**

Other **12b**
12c
12d

13 Stat emp./Not plan/3rd party sick pay

Employee's name, address and ZIP code
ROBERT D OLAFSON
448 S REDBERRY
AINFIELD, IL 60544

State **Employer's state ID no.** **16 State wages, tips, etc.**
IL **36-4120114 000 4** **559.80**

State income tax **18 Local wages, tips, etc.**

Local income tax **20 Locality name**

Federal Filing Copy
W-2 Wage and Tax Statement 2004

1 Wages, tips, other comp. **2 Federal income tax withheld**
559.80

3 Social security wages **4 Social security tax withheld**
559.80 **34.71**

5 Medicare wages and tips **6 Medicare tax withheld**
559.80 **8.12**

a Control Number **Dept.** **Corp.** **Employer use only**
061920 93/MPE **106023** **T** **EIC** **143**

c Employee's name, address, and ZIP code
BUKEMA ENTERPRISES LD
1030 N WASHINGTON ST
NAPERVILLE IL 60563-2700

b Employee's FED ID number **d Employee's SSA number**
36-4120114 **350-26-1920**

7 Social security tips **8 Allocated tips**

9 Advance EIC payment **10 Dependent care benefits**

11 Nonqualified plans **12a**

14 Other **12b**
12c
12d

13 Stat emp./Not plan/3rd party sick pay

e/f Employee's name, address and ZIP code
ROBERT D OLAFSON
13448 S REDBERRY
PLAINFIELD, IL 60544

15 State **Employer's state ID no.** **16 State wages, tips, etc.**
IL **36-4120114 000 4** **559.80**

17 State income tax **18 Local wages, tips, etc.**

19 Local income tax **20 Locality name**

IL State Reference Copy
W-2 Wage and Tax Statement 2004

1 Wages, tips, other comp. **2 Federal income tax withheld**
559.80

3 Social security wages **4 Social security tax withheld**
559.80 **34.71**

5 Medicare wages and tips **6 Medicare tax withheld**
559.80 **8.12**

a Control Number **Dept.** **Corp.** **Employer use only**
061920 93/MPE **106023** **T** **EIC** **143**

c Employee's name, address, and ZIP code
BUKEMA ENTERPRISES LD
1030 N WASHINGTON ST
NAPERVILLE IL 60563-2700

b Employee's FED ID number **d Employee's SSA number**
36-4120114 **350-26-1920**

7 Social security tips **8 Allocated tips**

9 Advance EIC payment **10 Dependent care benefits**

11 Nonqualified plans **12a**

14 Other **12b**
12c
12d

13 Stat emp./Not plan/3rd party sick pay

e/f Employee's name, address and ZIP code
ROBERT D OLAFSON
13448 S REDBERRY
PLAINFIELD, IL 60544

15 State **Employer's state ID no.** **16 State wages, tips, etc.**
IL **36-4120114 000 4** **559.80**

17 State income tax **18 Local wages, tips, etc.**

19 Local income tax **20 Locality name**

IL State Filing Copy
W-2 Wage and Tax Statement 2004

/02

01920 ROBERT D OLAFSON

350261920

PAYROLL
CK. # 00040519

	80.00	1,020.00		
IR				
ME	2.19	41.88	ENTAL FAMILY	21.6
ION	40.00	510.00		

	GROSS	FEDERAL	FICA	STATE	CITY	SDI	DED.
7/02 - 10/10/02	1,571.88	103.00	118.59	38.89			21.67
YEAR-TO-DATE	22,478.22	736.34	1684.16	500.53			463.06

E#10602 DEPT. # 3

DETACH AND RETAIN FOR YOUR RECORDS

1,289.73

BUKEMA ACE PAYROLL
1030 N. WASHINGTON STREET
NAPERVILLE, IL 60563

FIRSTAR BANK ILLINOIS
NAPERVILLE IL 60560

70 477/719

10/18/02

ONE THOUSAND TWO HUNDRED EIGHTY NINE AND 73/100 DOLLARS*****1,289.73

CHECK# 00040519

ROBERT D OLAFSON
13448 S REDBERRY

PLAINFIELD IL 605440000

[Signature]
AUTHORIZED SIGNATURE
VOID AFTER 90 DAYS

#040519# :071904779: 417040 830#

DEPOSIT TICKET

THE PATIO TRUST 01-99
13448 S RED BERRY
PLAINFIELD, IL 60544

CASH

70-2334/719

DATE OCT 22, 2002
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

[Signature]
SIGN HERE FOR CASH RECEIVED IF REQUIRED

WEST SUBURBAN BANK
8001 S. CASS AVE. • DARIEN, ILLINOIS 60551
TEL (708) 592-5500

SUB TOTAL

LESS CASH RECEIVED

\$

1289.73

35633

1646.06

1646.06

#9901-7777: 3100017943#

04/02/03 01920 ROBERT D OLAFSON 350261920 PAYROLL CHECK
CK. # 00043646

EXHIBIT F

REGULAR	13.00/HR	35.57	369.04	31K DED	10.90	36.00
			DENTAL FAMILY			30.70

04/01/03 - 04/02/03	GROSS	FEDERAL	FICA	STATE	CITY	SDI	DED.
YEAR-TO-DATE	7,433.49	65.21	551.92	125.50			30.00

STATE #10602 DEPT. # 3

STATEMENT OF EARNINGS AND DEDUCTIONS DETACH AND RETAIN FOR YOUR RECORDS

548.00

04/16/03 01920 ROBERT D OLAFSON 350261920 PAYROLL CHECK
CK. # 00043646

EXHIBIT G

REGULAR	8.50/HR	33.51	369.04	31K DED	10.90	36.00
			No FAMILY DENTAL			

04/25/03 - 05/06/03	GROSS	FEDERAL	FICA	STATE	CITY	SDI	DED.
YEAR-TO-DATE	7,800.33	65.21	580.22	127.95			30.90

STATE #10602 DEPT. # 3

STATEMENT OF EARNINGS AND DEDUCTIONS DETACH AND RETAIN FOR YOUR RECORDS

302.19

Total	2,093,990,841	2,151,555,282	2,222,367,215	4,268,506,425	4,096,127,651	4,202,698,688
No adjusted gross income [1,2]	7,109,989	8,370,181	8,429,178	-	-	-
\$1 under \$1,000 [2]	8,351,543	8,855,810	9,608,807	13,321	9,896	8,558
\$1,000 under \$3,000 [2]	27,951,839	28,389,468	30,557,201	566,382	353,201	262,740
\$3,000 under \$5,000 [2]	40,080,189	39,960,916	41,822,831	697,584	395,581	315,141
\$5,000 under \$7,000	42,742,160	45,600,646	47,790,495	2,395,647	2,025,806	1,886,976
\$7,000 under \$9,000	48,603,257	50,502,811	53,737,194	4,430,092	3,745,836	3,577,143
\$9,000 under \$11,000	52,224,587	56,969,639	56,773,999	7,951,737	7,217,563	7,314,623
\$11,000 under \$13,000	51,532,471	54,002,395	55,152,796	12,131,861	11,611,674	10,855,525
\$13,000 under \$15,000	53,492,523	57,353,476	57,755,638	17,764,670	16,184,372	16,245,741
\$15,000 under \$17,000	53,971,666	55,605,184	59,309,718	23,392,154	21,888,062	20,210,221
\$17,000 under \$19,000	56,218,518	58,509,518	58,599,386	30,149,938	27,351,521	25,183,938
\$19,000 under \$22,000	77,817,748	83,630,471	84,845,210	55,009,880	52,623,811	47,985,721
\$22,000 under \$25,000	71,723,065	74,641,180	78,585,840	63,955,539	59,627,203	57,992,968
\$25,000 under \$30,000	109,869,726	115,640,897	122,649,893	126,824,811	121,068,620	114,359,185
\$30,000 under \$40,000	193,830,419	203,827,001	213,502,977	288,448,814	284,041,793	274,281,796
\$40,000 under \$50,000	171,668,365	176,949,588	182,365,776	305,197,261	296,662,439	287,655,366
\$50,000 under \$75,000	343,601,152	350,940,396	357,772,776	731,935,622	716,811,409	707,741,748
\$75,000 under \$100,000	217,971,128	233,730,324	244,834,645	546,501,718	561,237,747	579,972,217
\$100,000 under \$200,000	271,710,613	277,447,089	294,561,946	843,411,444	832,980,233	880,791,014
\$200,000 under \$500,000	96,875,261	91,780,608	92,169,120	482,712,954	457,567,015	486,164,694
\$500,000 under \$1,000,000	29,953,997	28,020,122	26,723,378	211,318,031	199,225,455	213,984,702
\$1,000,000 under \$1,500,000	11,938,828	10,634,396	9,463,930	91,492,389	83,569,923	90,310,642
\$1,500,000 under \$2,000,000	7,028,843	5,776,814	5,349,638	55,760,182	48,059,469	53,192,659
\$2,000,000 under \$5,000,000	16,780,880	13,542,781	12,009,194	138,523,230	116,903,427	131,421,689
\$5,000,000 under \$10,000,000	9,200,677	7,027,686	6,390,865	74,551,405	61,268,835	71,029,181
\$10,000,000 or more	21,743,397	15,845,882	11,604,783	153,369,759	113,696,760	119,954,498

Footnotes at end of table.

Table 3.--Number of Individual Income Tax Returns, Income, Exemptions and Deductions, Tax, and Average Tax, by Size of Adjusted Gross Income, Tax Years 2001-2003--Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars except as indicated]

Size of adjusted gross income	Total income tax			Percentage of returns showing no total income tax		
	2001 (13)	2002 (14)	2003 [p] (15)	2001 (16)	2002 (17)	2003 [p] (18)
Total	887,973,968	796,986,268	750,024,250	27.2	30.1	31.8
No adjusted gross income [1, 2]	92,152	124,380	39,363	99.6	99.7	99.8
\$1 under \$1,000 [2]	1,276	898	16,549	93.5	95.4	95.7
\$1,000 under \$3,000 [2]	74,603	39,664	24,154	87.4	91.2	92.9
\$3,000 under \$5,000 [2]	83,183	43,481	28,448	85.5	89.9	92.1
\$5,000 under \$7,000	251,677	215,288	189,314	69.0	70.4	72.0
\$7,000 under \$9,000	445,506	352,620	333,830	60.2	68.3	70.5
\$9,000 under \$11,000	845,943	642,801	629,825	46.6	51.0	49.9
\$11,000 under \$13,000	1,400,684	1,090,930	964,590	46.4	47.8	49.8
\$13,000 under \$15,000	2,057,126	1,470,430	1,418,894	42.8	49.9	48.5
\$15,000 under \$17,000	2,699,816	2,085,024	1,787,256	37.6	39.7	47.7
\$17,000 under \$19,000	3,431,541	2,633,409	2,234,811	36.3	38.4	43.1
\$19,000 under \$22,000	6,223,990	4,944,001	4,368,910	33.4	58.8	39.9
\$22,000 under \$25,000	7,335,315	5,648,796	5,308,833	26.8	35.4	36.4
\$25,000 under \$30,000	15,551,507	12,329,287	11,028,264	17.6	23.8	28.7
\$30,000 under \$40,000	38,460,994	32,654,711	29,767,654	7.2	10.9	15.1
\$40,000 under \$50,000	44,464,949	38,114,016	34,662,092	2.9	4.9	7.5
\$50,000 under \$75,000	114,051,713	101,820,331	94,174,874	1.0	1.3	1.9
\$75,000 under \$100,000	98,746,758	93,655,145	84,465,199	0.3	0.4	0.6
\$100,000 under \$200,000	185,263,807	175,140,747	164,508,868	0.1	0.2	0.1
\$200,000 under \$500,000	134,590,608	124,764,596	121,662,898	0.1	0.1	0.1
\$500,000 under \$1,000,000	67,781,194	63,370,780	60,548,583	0.2	0.1	0.1
\$1,000,000 under \$1,500,000	30,259,886	27,479,397	26,201,037	0.2	0.2	0.1
\$1,500,000 under \$2,000,000	18,477,684	15,890,811	15,588,579	0.2	0.2	0.1
\$2,000,000 under \$5,000,000	45,841,881	38,692,291	38,111,840	0.2	0.1	0.1
\$5,000,000 under \$10,000,000	24,207,787	20,044,370	20,279,524	0.3	0.2	--
\$10,000,000 or more	45,332,386	33,738,065	31,680,060	0.2	0.2	--
Returns showing total income tax						
Size of adjusted gross income	Average tax (whole dollars)			Tax as a percentage of AGI		
	2001 (19)	2002 (20)	2003 [p] (21)	2001 (22)	2002 (23)	2003 [p] (24)
Total	9,370	8,762	8,417	15.2	14.1	13.1

No adjusted gross income [1, 2]	17,489	26,274	12,172	[4]	[4]	[4]
\$1 under \$1,000 [2]	11	11	233	1.2	1.2	27.3
\$1,000 under \$3,000 [2]	111	94	70	5.9	4.8	3.9
\$3,000 under \$5,000 [2]	106	84	71	2.5	1.9	1.6
\$5,000 under \$7,000	164	145	133	2.8	2.4	2.3
\$7,000 under \$9,000	225	224	221	2.8	2.7	2.7
\$9,000 under \$11,000	323	259	252	3.2	2.6	2.5
\$11,000 under \$13,000	560	441	413	4.7	3.7	3.4
\$13,000 under \$15,000	756	611	581	5.4	4.4	4.1
\$15,000 under \$17,000	929	747	732	5.8	4.7	4.6
\$17,000 under \$19,000	1,149	948	881	6.4	5.3	4.9
\$19,000 under \$22,000	1,464	1,214	1,148	7.1	5.9	5.6
\$22,000 under \$25,000	1,751	1,548	1,458	7.4	6.6	6.2
\$25,000 under \$30,000	2,205	1,886	1,809	8.0	6.9	6.6
\$30,000 under \$40,000	2,994	2,622	2,508	8.6	7.5	7.2
\$40,000 under \$50,000	4,314	3,800	3,572	9.6	8.5	8.0
\$50,000 under \$75,000	6,558	5,931	5,532	10.7	9.7	9.0
\$75,000 under \$100,000	11,124	10,169	8,864	13.0	11.8	10.3
\$100,000 under \$200,000	21,896	20,831	18,507	16.6	15.8	14.0
\$200,000 under \$500,000	66,764	65,452	60,815	23.3	22.8	21.1
\$500,000 under \$1,000,000	190,893	188,463	170,448	28.1	27.9	25.2
\$1,000,000 under \$1,500,000	354,659	352,318	318,225	29.3	29.3	26.3
\$1,500,000 under \$2,000,000	507,211	508,213	458,312	29.5	29.6	26.7
\$2,000,000 under \$5,000,000	880,863	876,541	780,516	29.6	29.7	26.6
\$5,000,000 under \$10,000,000	1,978,569	2,003,435	1,795,125	29.0	29.4	26.2
\$10,000,000 or more	6,642,108	6,370,481	5,227,733	27.4	26.1	24.1

p - Preliminary.

[1] In addition to low-income taxpayers, this size class (and others) includes taxpayers with "tax preferences," not reflected in "adjusted gross income" or "taxable income," which are subject to the

"alternative minimum tax" (included in "total income tax"), defined in Table 1, footnote 35.

[2] A study for 1993 showed that about half of all returns with "adjusted gross income" under \$5,000 were filed by dependents of other taxpayers.

[3] "Adjusted gross income" (AGI) minus "personal exemptions and total deductions" will not equal "taxable income" because the total of deductions and exemptions could exceed AGI and, therefore, includes amounts that could not be used in computing "taxable income."

[4] Not computed.

Notes: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: IRS, Statistics of Income Winter 2004-2005 Bulletin, Publication 1136. Also, Statistics of Income--Individual Income Tax Returns, appropriate years.

National Vital Statistics Reports



Volume 53, Number 6

November 10, 2004

United States Life Tables, 2002

by Elizabeth Arias, Ph.D., Division of Vital Statistics

Abstract

This report presents period life tables for the United States based on age-specific death rates in 2002. Data used to prepare these life tables are 2002 final mortality statistics; July 1, 2002, population estimates based on the 2000 decennial census and data from the Medicare program. Presented are complete life tables by age, race, and sex. In 2002 the overall expectation of life at birth was 77.3 years, representing an increase of 0.1 years from life expectancy in 2001. Between 2001 and 2002, life expectancy increased for both males and females. Life expectancy increased by 0.2 years for black males (from 68.6 to 68.8). It increased by 0.1 year for white males (from 75.0 to 75.1), for white females (from 80.2 to 80.3), and for black females (from 75.5 to 75.6).

Introduction

There are two types of life tables—the cohort (or generation) life table and the period (or current) life table. The cohort life table presents the mortality experience of a particular birth cohort, all persons born in the year 1900, for example, from the moment of birth through consecutive ages in successive calendar years. Based on age-specific death rates observed through consecutive calendar years, the cohort life table reflects the mortality experience of an actual cohort from birth until no lives remain in the group. To prepare just a single complete cohort life table requires data over many years. It is usually not feasible to construct cohort life tables entirely on the basis of observed data for real cohorts due to data unavailability or incompleteness (1). For example, a life table representation of the mortality experience of a cohort of persons born in 1970 would require the use of data projection techniques to estimate deaths into the future (2,3).

Unlike the cohort life table, the period life table does not represent the mortality experience of an actual birth cohort. Rather, the period

life table presents what would happen to a hypothetical (or synthetic) cohort if it experienced throughout its entire life the mortality conditions of a particular period in time. Thus, for example, a period life table for 2002 assumes a hypothetical cohort subject throughout its lifetime to the age-specific death rates prevailing for the actual population in 2002. The period life table may thus be characterized as rendering a “snapshot” of current mortality experience, and shows the long-range implications of a set of age-specific death rates that prevailed in a given year. In this report the term “life table” refers only to the period life table and not to the cohort life table.

Data and Methods

The data used to prepare the U.S. life tables for 2002 are final numbers of deaths for the year 2002, postcensal population estimates for the year 2002, and data from the Medicare program of the Centers for Medicare and Medicaid Services.

The populations used to estimate the life tables shown in this report were produced under a collaborative agreement with the U.S. Census Bureau and are based on counts from the 2000 census. Reflecting the new guidelines issued in 1997 by the Office of Management and Budget (OMB), the 2000 census included an option for individuals to report more than one race as appropriate for themselves and household members (4). The 1997 OMB guidelines also provided for the reporting of Asian persons separately from Native Hawaiians or other Pacific Islanders. Under the prior OMB standards (issued in 1977), data for Asian or Pacific Islander persons were collected as a

Acknowledgments

This report was prepared in the Division of Vital Statistics under the general direction of Charles J. Rothwell, Director, Division of Vital Statistics and Robert N. Anderson, Chief, Mortality Statistics Branch. Registration Methods Staff and the Data Acquisition and Evaluation Branch provided consultation to State vital statistics offices regarding the collection of death certificate data on which this report is based. This report was edited by Demarius V. Miller, typeset by Jacqueline M. Davis, and graphics produced by Jarmila G. Ogburn of the Office of Information Services, Information Design and Publishing Staff.

Keywords: life expectancy • life tables • survival • death rates • race



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Table 5. Life table for white males: United States, 2002—Con.

[Race categories are consistent with the 1977 Office of Management and Budget guidelines]

Age	Probability of dying between ages x to $x+1$	Number surviving to age x	Number dying between ages x to $x+1$	Person-years lived between ages x to $x+1$	Total number of person-years lived above age x	Expectation of life at age x
	$q(x)$	$l(x)$	$d(x)$	$L(x)$	$T(x)$	$e(x)$
65-66	0.018184	79,874	1,452	79,148	1,327,634	16.6
66-67	0.019668	78,422	1,542	77,651	1,248,486	15.9
67-68	0.021785	76,879	1,675	76,042	1,170,836	15.2
68-69	0.023639	75,205	1,778	74,316	1,094,794	14.6
69-70	0.026049	73,427	1,913	72,470	1,020,478	13.9
70-71	0.028633	71,514	2,048	70,490	948,008	13.3
71-72	0.031275	69,466	2,173	68,380	877,518	12.6
72-73	0.033339	67,294	2,244	66,172	809,138	12.0
73-74	0.037412	65,050	2,434	63,833	742,966	11.4
74-75	0.040664	62,617	2,546	61,344	679,132	10.8
75-76	0.044647	60,070	2,682	58,729	617,789	10.3
76-77	0.048946	57,388	2,809	55,984	559,059	9.7
77-78	0.053039	54,580	2,895	53,132	503,075	9.2
78-79	0.058065	51,685	3,001	50,184	449,943	8.7
79-80	0.064456	48,684	3,138	47,115	399,759	8.2
80-81	0.069812	45,546	3,180	43,956	352,644	7.7
81-82	0.076341	42,366	3,234	40,749	308,689	7.3
82-83	0.086981	39,132	3,404	37,430	267,940	6.8
83-84	0.088920	35,728	3,177	34,140	230,510	6.5
84-85	0.102473	32,551	3,336	30,883	196,370	6.0
85-86	0.112276	29,216	3,280	27,575	165,487	5.7
86-87	0.122723	25,935	3,183	24,344	137,911	5.3
87-88	0.133822	22,752	3,045	21,230	113,567	5.0
88-89	0.145577	19,708	2,869	18,273	92,337	4.7
89-90	0.157985	16,839	2,660	15,509	74,064	4.4
90-91	0.171043	14,178	2,425	12,966	58,556	4.1
91-92	0.184737	11,753	2,171	10,668	45,590	3.9
92-93	0.199051	9,582	1,907	8,628	34,922	3.6
93-94	0.213963	7,675	1,642	6,854	26,294	3.4
94-95	0.229442	6,033	1,384	5,341	19,440	3.2
95-96	0.245455	4,648	1,141	4,078	14,099	3.0
96-97	0.261957	3,507	919	3,048	10,021	2.9
97-98	0.278902	2,589	722	2,228	6,973	2.7
98-99	0.296235	1,867	553	1,590	4,746	2.5
99-100	0.313893	1,314	412	1,108	3,155	2.4
100+	1.00000	901	901	2,048	2,048	2.3

E = Probability of Employment (Pct. Of Persons in the Labor Force who are actually working) = 1 - Unemployment Rate

UR = Unemployment Rate

Source: U.S. Census Bureau, Current Population Survey, Various Years; Website: <http://www.census.gov/hhes/www/disability/disabcpss.html>

Age 70 - 74 Males with Some College Education & No Work Disability

Year	UR	E
1995	2.50%	97.50%
1996	2.70%	97.30%
1997	2.30%	97.70%
1998	5.20%	94.80%
1999	0.50%	99.50%
2000	0.00%	100.00%
2001	2.80%	97.20%
2002	1.20%	98.80%
2003	8.20%	91.80%
2004	2.40%	97.60%
Avg: 1995 - 2004	2.78%	97.22%

Mr. Olafson Life Expectancy:

Robert Olafson DOB: April 23, 1933

Life Expectancy at age 72 = 12.0 years

Source (Life Factor): National Vital Statistics Report - United States, White Males 2002 (Publication Issued November 10, 2004)



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Employer Costs for Employee Compensation

Series Id:		CCU210000262000D,CCU210000262000P	
Compensation Component:		Total compensation	
Employer/Employee Charac.:		Retail trade	
Sector:		Private industry	
Year	Period	Cost of compensation (Cost per hour worked)	Percent of total compensation
1994	Annual	9.17	100.0
1995	Annual	9.32	100.0
1996	Annual	9.54	100.0
1997	Annual	9.92	100.0
1998	Annual	10.33	100.0
1999	Annual	10.64	100.0
2000	Annual	10.99	100.0
2001	Annual	11.49	100.0
2002	Qtr1	11.79	100.0
2002	Qtr2	11.99	100.0
2002	Qtr3	12.03	100.0
2002	Qtr4	12.11	100.0
2003	Qtr1	12.20	100.0
2003	Qtr2	12.32	100.0
2003	Qtr3	12.39	100.0
2003	Qtr4	12.47	100.0

Series Id:		CCU220000262000D,CCU220000262000P	
Compensation Component:		Wages and salaries	
Employer/Employee Charac.:		Retail trade	
Sector:		Private industry	
Year	Period	Cost of compensation (Cost per hour worked)	Percent of total compensation
1994	Annual	7.14	77.9
1995	Annual	7.30	78.3
1996	Annual	7.50	78.6
1997	Annual	7.81	78.7

1998	Annual	8.17	79.1
1999	Annual	8.41	79.0
2000	Annual	8.73	79.4
2001	Annual	9.13	79.5
2002	Qtr1	9.35	79.3
2002	Qtr2	9.50	79.2
2002	Qtr3	9.52	79.1
2002	Qtr4	9.57	79.0
2003	Qtr1	9.61	78.8
2003	Qtr2	9.69	78.7
2003	Qtr3	9.73	78.5
2003	Qtr4	9.75	78.2

Series Id: CCU240000262000D, CCU240000262000P
 Compensation Component: Paid leave
 Employer/Employee Charac.: Retail trade
 Sector: Private industry

Year	Period	Cost of compensation (Cost per hour worked)	Percent of total compensation
1994	Annual	0.37	4.0
1995	Annual	0.35	3.7
1996	Annual	0.35	3.7
1997	Annual	0.37	3.7
1998	Annual	0.38	3.7
1999	Annual	0.40	3.8
2000	Annual	0.40	3.6
2001	Annual	0.46	4.0
2002	Qtr1	0.46	3.9
2002	Qtr2	0.47	3.9
2002	Qtr3	0.47	3.9
2002	Qtr4	0.47	3.9
2003	Qtr1	0.47	3.9
2003	Qtr2	0.47	3.8
2003	Qtr3	0.47	3.8
2003	Qtr4	0.48	3.8

Series Id: CCU250000262000D, CCU250000262000P
 Compensation Component: Supplemental pay
 Employer/Employee Charac.: Retail trade
 Sector: Private industry

Year	Period	Cost of compensation (Cost per hour worked)	Percent of total compensation
1994	Annual	0.14	1.6

1995	Annual	0.15	1.6
1996	Annual	0.16	1.6
1997	Annual	0.18	1.8
1998	Annual	0.18	1.7
1999	Annual	0.18	1.7
2000	Annual	0.19	1.7
2001	Annual	0.17	1.5
2002	Qtr1	0.16	1.4
2002	Qtr2	0.16	1.3
2002	Qtr3	0.16	1.3
2002	Qtr4	0.17	1.4
2003	Qtr1	0.17	1.4
2003	Qtr2	0.16	1.3
2003	Qtr3	0.16	1.3
2003	Qtr4	0.16	1.3

Series Id: CCU280000262000D,CCU280000262000P Compensation Component: Legally required benefits Employer/Employee Charac.: Retail trade Sector: Private industry			
Year	Period	Cost of compensation (Cost per hour worked)	Percent of total compensation
1994	Annual	1.01	11.0
1995	Annual	1.01	10.9
1996	Annual	1.00	10.5
1997	Annual	1.03	10.4
1998	Annual	1.07	10.4
1999	Annual	1.10	10.3
2000	Annual	1.10	10.0
2001	Annual	1.11	9.7
2002	Qtr1	1.16	9.8
2002	Qtr2	1.18	9.8
2002	Qtr3	1.19	9.9
2002	Qtr4	1.19	9.8
2003	Qtr1	1.22	10.0
2003	Qtr2	1.24	10.1
2003	Qtr3	1.25	10.1
2003	Qtr4	1.26	10.1

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NEWS

FOR IMMEDIATE RELEASE

January 3, 2005

**Gov. Blagojevich and workers celebrate full implementation of minimum wage hike
Jan. 1 increase to \$6.50 an hour benefits nearly half a million hard working Illinoisans**

CHICAGO – Gov. Rod Blagojevich was joined today by workers, lawmakers and low-income family advocates in celebrating the final phase-in of the minimum wage increase he signed into law in 2003. The new wage of \$6.50 an hour that went into full effect on January 1 benefits an estimated 450,000 Illinois workers – or about 6 percent of the state's workforce – who were making \$5.15 an hour before the new law was signed.

The original legislation, Senate Bill 600, raised the state's minimum wage in two phases: on January 1, 2004, the rate went from the federally mandated minimal level of \$5.15 an hour up to \$5.50; on January 1, 2005, the rate increased again to \$6.50 an hour.

"For so many working families living on the brink of poverty, this wage increase provides a much-deserved boost toward financial independence," said Blagojevich. "The new, higher wage will mean an additional \$2,800 a year for a full-time worker, meaning more money to pay bills, feed their families and try to save for the future."

The Governor pointed out that – contrary to popular belief – most minimum wage earners are not teenagers, but adults over age 20. In fact, the average minimum wage earner is 31 years old and female, and nearly one-third are heads of households.





Prior to the increase, a full-time minimum wage earner made only \$10,712 a year working 40 hours a week, 52 weeks a year. That's well below the 2004 poverty level of \$12,500 for a two-person household. With the full increase in place, a full-time worker earning the minimum wage will earn \$13,520 annually.

Gov. Blagojevich pushed for a hike in the minimum wage in light of research showing a significant erosion in the value on the wage since it was first enacted. The federal minimum wage of \$5.15 an hour buys about a third less than it did a quarter century ago, according to a study completed in 2003 by the Center for Urban Economic Development of the University of Illinois at Chicago (UIC).

Illinois' new, higher minimum wage is expected to benefit businesses as well as workers. Low income workers are more likely to spend their wages locally than any other group of workers. A recent study suggests that the higher minimum wage will increase business sales in Illinois by more than \$900 million, and by more than \$1.2 billion when workers earning near the minimum wage (\$7.50 and up) are taken into account. "With this wage increase, workers will have more money to spend. That puts money back into the local economy and businesses will ultimately benefit from higher sales," the Governor said. "In addition, workers who are compensated well tend to be more productive and loyal to their employers. A better minimum wage is good for working families and businesses alike."

"This minimum wage raise comes as excellent news for hard-working men and women who are struggling to make ends meet. On behalf of ACORN, I want to thank Governor Blagojevich and our state legislature for their leadership and determination to improve the lives of hundreds of thousands of Illinoisans," said Beatrice Jackson, President of the Illinois chapter of the Association of Community Organizations for Reform Now (ACORN.)

Illinois is among 14 states that have passed minimum wages higher than the federal standard of \$5.15 an hour (has not been increased since 1997). The other states are Alaska, California, Connecticut, Delaware, Florida, Hawaii, Maine, Massachusetts, New York, Oregon, Rhode Island, Vermont, and Washington.

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Table 3.--Number of Individual Income Tax Returns, Income, Exemptions and Deductions, Tax, and Average Tax, by Size of Adjusted Gross Income, Tax Years 2001-2003

[All figures are estimates based on samples--money amounts are in thousands of dollars except as indicated]

Size of adjusted gross income	Number of returns			Adjusted gross income or deficit		
	2001 (1)	2002 (2)	2003 [p] (3)	2001 (4)	2002 (5)	2003 [p] (6)
Total	130,255,237	130,076,443	130,571,319	6,170,603,942	6,033,565,532	6,212,974,067
No adjusted gross income [1,2]	1,438,187	1,752,457	1,759,110	-70,431,606	-80,192,750	-63,308,110
\$1 under \$1,000 [2]	1,837,978	1,812,110	1,665,403	1,055,221	1,028,189	932,942
\$1,000 under \$3,000 [2]	5,370,910	4,832,988	4,885,212	10,773,315	9,835,110	9,739,562
\$3,000 under \$5,000 [2]	5,383,155	5,163,776	5,084,627	21,469,839	20,664,036	20,309,563
\$5,000 under \$7,000	4,954,876	5,019,326	5,073,858	29,752,586	30,092,034	30,354,093
\$7,000 under \$9,000	4,975,444	4,977,282	5,119,316	39,738,309	39,783,173	40,873,047
\$9,000 under \$11,000	4,903,020	5,061,799	4,994,352	49,014,583	50,702,341	50,046,811
\$11,000 under \$13,000	4,666,912	4,748,173	4,655,865	56,048,919	56,974,191	55,769,269
\$13,000 under \$15,000	4,757,038	4,808,347	4,747,596	66,611,416	67,289,532	66,510,171
\$15,000 under \$17,000	4,655,768	4,632,156	4,673,255	74,393,134	74,014,744	74,698,747
\$17,000 under \$19,000	4,688,595	4,508,626	4,457,124	84,303,762	81,156,450	80,204,470
\$19,000 under \$22,000	6,379,736	6,522,571	6,334,996	130,782,945	133,706,690	129,748,224
\$22,000 under \$25,000	5,724,238	5,650,213	5,723,068	134,364,721	132,575,256	134,379,682
\$25,000 under \$30,000	8,563,035	8,574,575	8,550,537	235,155,806	234,951,863	234,803,301
\$30,000 under \$40,000	13,843,639	13,980,104	13,980,972	480,541,398	485,696,239	485,560,267
\$40,000 under \$50,000	10,612,617	10,550,457	10,488,420	475,360,387	472,821,957	469,120,945
\$50,000 under \$75,000	17,559,778	17,396,916	17,352,692	1,074,476,035	1,066,616,794	1,064,837,216
\$75,000 under \$100,000	8,903,894	9,247,839	9,582,718	764,115,039	794,489,072	824,464,925
\$100,000 under \$200,000	8,469,199	8,422,603	8,901,359	1,114,318,617	1,109,699,065	1,174,675,124
\$200,000 under \$500,000	2,018,372	1,908,466	2,002,600	578,592,628	548,814,753	578,017,378
\$500,000 under \$1,000,000	355,617	336,684	355,554	240,863,950	227,044,247	240,607,376
\$1,000,000 under \$1,500,000	85,479	78,121	82,433	103,192,473	94,072,610	99,750,994
\$1,500,000 under \$2,000,000	36,491	31,316	34,038	62,634,095	53,782,124	58,495,126
\$2,000,000 under \$5,000,000	52,157	44,205	48,856	154,967,884	130,305,117	143,406,926
\$5,000,000 under \$10,000,000	12,266	10,026	11,302	83,519,500	68,251,296	77,418,306
\$10,000,000 or more	6,836	5,309	6,061	174,988,989	129,421,398	131,557,712
Personal exemptions and total deductions						
Taxable income [3]						
Size of adjusted gross income	2001 (7)	2002 (8)	2003 [p] (9)	2001 (10)	2002 (11)	2003 [p] (12)

Real Rate of Interest

Year	10 yr. Bond Yield	CPI	Real Rate	Arithmetic Real Interest Rate Average:	
2004	4.27	2.70	1.57		
2003	4.01	2.30	1.71		
2002	4.61	1.60	3.01		
2001	5.02	2.80	2.22		
2000	6.03	3.40	2.63	10 Year Avg:	2.95
1999	5.65	2.20	3.45	20 Year Avg:	3.69
1998	5.26	1.60	3.66	30 Year Avg:	3.29
1997	6.35	2.30	4.05	40 Year Avg:	2.79
1996	6.44	3.00	3.44		
1995	6.57	2.80	3.77		
1994	7.09	2.60	4.49		
1993	5.87	3.00	2.87		
1992	7.01	3.00	4.01		
1991	7.86	4.20	3.66		
1990	8.55	5.40	3.15		
1989	8.49	4.80	3.69		
1988	8.85	4.10	4.75		
1987	8.39	3.60	4.79		
1986	7.68	1.90	5.78		
1985	10.62	3.60	7.02		
1984	12.44	4.30	8.14		
1983	11.10	3.20	7.90		
1982	13.00	6.20	6.80		
1981	13.91	10.30	3.61		
1980	11.46	13.50	-2.04		
1979	9.44	11.30	-1.86		
1978	8.41	7.60	0.81		
1977	7.42	6.50	0.92		
1976	7.61	5.80	1.81		
1975	7.99	9.10	-1.11		
1974	7.56	11.00	-3.44		
1973	6.84	6.20	0.64		
1972	6.21	3.20	3.01		
1971	6.16	4.40	1.76		
1970	7.35	5.70	1.65		
1969	6.67	5.50	1.17		
1968	5.65	4.20	1.45		
1967	5.07	3.10	1.97		
1966	4.92	2.90	2.02		
1965	4.28	1.60	2.68		

Source: 2005 Economic Report to the President

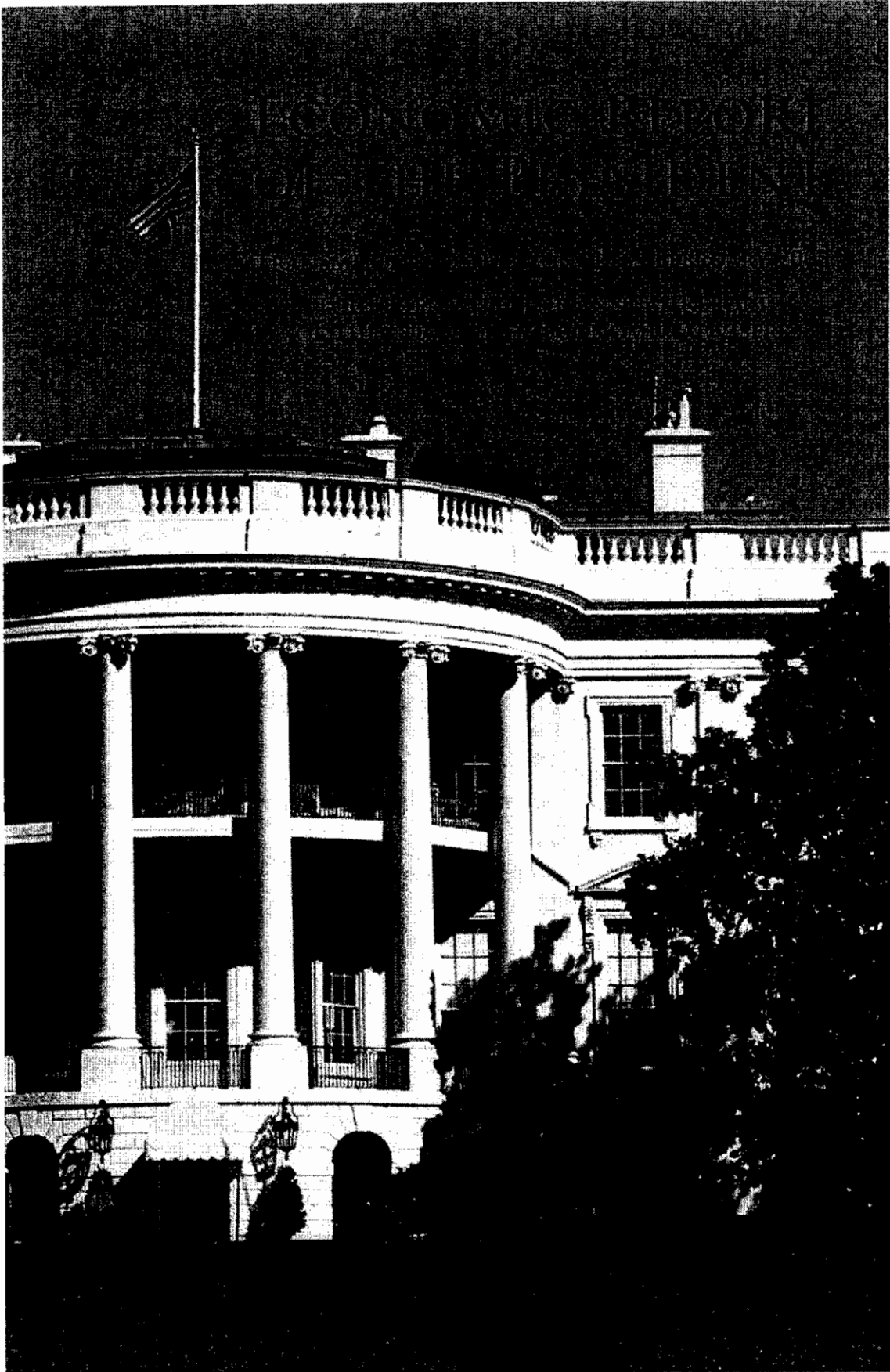


TABLE B-73.—Bond yields and interest rates, 1929–2004

[Percent per annum]

Year and month	U.S. Treasury securities					Corporate bonds (Moody's)		High-grade municipal bonds (Standard & Poor's)	New-home mortgage yields ⁴	Prime rate charged by banks ⁵	Discount window (Federal Reserve Bank of New York) ^{5,6}		Federal funds rate ⁷
	Bills (new issues) ¹		Constant maturities ²			Aaa ³	Baa				Primary credit	Adjustment credit	
	3-month	6-month	3-year	10-year	30-year								
1929						4.73	5.90	4.27		5.50-6.00		5.16	
1933	0.515					4.49	7.76	4.71		1.50-4.00		2.56	
1939	0.23					3.01	4.96	2.76		1.50		1.00	
1940	0.14					2.84	4.75	2.50		1.50		1.00	
1941	103					2.77	4.33	2.10		1.50		1.00	
1942	326					2.83	4.28	2.36		1.50		*1.00	
1943	373					2.73	3.91	2.06		1.50		*1.00	
1944	375					2.72	3.61	1.86		1.50		*1.00	
1945	375					2.62	3.29	1.67		1.50		*1.00	
1946	375					2.53	3.05	1.64		1.50		*1.00	
1947	594					2.61	3.24	2.01		1.50-1.75		1.00	
1948	1.040					2.82	3.47	2.40		1.75-2.00		1.34	
1949	1.102					2.66	3.42	2.21		2.00		1.50	
1950	1.218					2.62	3.24	1.98		2.07		1.59	
1951	1.552					2.86	3.41	2.00		2.56		1.75	
1952	1.766					2.96	3.52	2.19		3.00		1.75	
1953	1.931		2.47	2.85		3.20	3.74	2.72		3.17		1.99	
1954	953		1.63	2.40		2.90	3.51	2.37		3.05		1.60	
1955	1.753		2.47	2.82		3.06	3.53	2.53		3.16		1.89	1.78
1956	2.658		3.19	3.18		3.36	3.88	2.93		3.77		2.77	2.73
1957	3.267		3.98	3.65		3.89	4.71	3.60		4.20		3.12	3.11
1958	1.839		2.84	3.32		3.79	4.73	3.56		3.83		2.15	1.57
1959	3.405	3.832	4.46	4.33		4.38	5.05	3.95		4.48		3.36	3.30
1960	2.928	3.247	3.98	4.12		4.41	5.19	3.73		4.82		3.53	3.22
1961	2.378	2.605	3.54	3.88		4.35	5.08	3.46		4.50		3.00	1.96
1962	2.778	2.908	3.47	3.95		4.33	5.02	3.18		4.50		3.00	2.68
1963	3.157	3.253	3.67	4.00		4.26	4.86	3.23	5.89	4.50		3.23	3.18
1964	3.549	3.686	4.03	4.19		4.40	4.83	3.22	5.83	4.50		3.55	3.50
1965	3.954	4.055	4.22	4.28		4.49	4.87	3.27	5.81	4.54		4.04	4.07
1966	4.881	5.082	5.23	4.92		5.13	5.67	3.82	6.25	5.63		4.50	5.11
1967	4.321	4.630	5.03	5.07		5.51	6.23	3.98	6.46	5.61		4.19	4.22
1968	5.339	5.470	5.68	5.65		6.18	6.94	4.51	6.97	6.30		5.16	5.66
1969	6.677	6.853	7.02	6.67		7.03	7.81	5.81	7.81	7.96		5.87	8.20
1970	6.458	6.562	7.29	7.35		8.04	9.11	6.51	8.45	7.91		5.95	7.18
1971	4.348	4.511	5.65	5.16		7.39	8.56	5.70	7.74	5.72		4.88	4.66
1972	4.071	4.466	5.72	6.21		7.21	8.16	5.27	7.60	5.25		4.50	4.43
1973	7.041	7.178	6.95	6.84		7.44	8.24	5.18	7.96	8.03		6.44	8.73
1974	7.886	7.926	7.82	7.56		8.57	9.50	6.09	8.92	10.81		7.83	10.50
1975	5.838	6.122	7.49	7.99		8.83	10.61	6.89	9.00	7.86		6.25	5.82
1976	4.989	5.266	6.77	7.61		8.43	9.75	6.49	9.00	6.84		5.50	5.04
1977	5.265	5.510	6.69	7.42	7.75	8.02	8.97	5.56	9.02	6.83		5.46	5.54
1978	7.221	7.572	8.29	8.41	8.49	8.73	9.49	5.90	9.56	9.06		7.46	7.93
1979	10.041	10.017	9.71	9.44	9.28	9.63	10.69	6.39	10.78	12.67		10.28	11.19
1980	11.506	11.374	11.55	11.46	11.27	11.94	13.67	8.51	12.66	15.27		11.77	13.36
1981	14.029	13.776	14.44	13.91	13.45	14.17	16.04	11.23	14.70	18.87		13.42	16.38
1982	10.686	11.084	12.92	13.00	12.76	13.79	16.11	11.57	15.14	14.86		11.02	12.26
1983	8.63	8.75	10.45	11.10	11.18	12.04	13.55	9.47	12.57	10.79		8.50	9.09
1984	9.58	9.80	11.89	12.44	12.41	12.71	14.19	10.15	12.38	12.04		8.80	10.23
1985	7.48	7.66	9.64	10.62	10.79	11.37	12.72	9.18	11.55	9.93		7.69	8.10
1986	5.98	6.03	7.06	7.68	7.78	9.02	10.39	7.38	10.17	8.33		6.33	6.81
1987	5.82	6.05	7.68	8.39	8.59	9.38	10.58	7.73	9.31	8.21		5.66	6.66
1988	6.69	6.92	8.26	8.85	8.96	9.71	10.83	7.76	9.19	9.32		6.20	7.57
1989	8.12	8.04	8.55	8.49	8.45	9.26	10.18	7.24	10.13	10.87		6.93	9.21
1990	7.51	7.47	8.26	8.55	8.61	9.32	10.36	7.25	10.05	10.01		6.98	8.10
1991	5.42	5.49	6.82	7.86	8.14	8.77	9.80	6.89	9.32	8.46		5.45	5.69
1992	3.45	3.57	5.30	7.01	7.67	8.14	8.98	6.41	8.24	6.25		3.25	3.52
1993	3.02	3.14	4.44	5.87	6.59	7.22	7.93	5.63	7.20	6.00		3.00	3.02
1994	4.29	4.66	6.27	7.09	7.37	7.96	8.62	6.19	7.49	7.15		3.60	4.21
1995	5.51	5.59	6.25	6.57	6.88	7.59	8.20	5.95	7.87	8.83		5.21	5.83
1996	5.02	5.09	5.99	6.44	6.71	7.37	8.05	5.75	7.80	8.27		5.02	5.30
1997	5.07	5.18	6.10	6.35	6.61	7.26	7.86	5.55	7.71	8.44		5.00	5.46
1998	4.81	4.85	5.14	5.26	5.58	6.53	7.22	5.12	7.07	8.35		4.92	5.35
1999	4.66	4.76	5.49	5.65	5.87	7.04	7.87	5.43	7.04	8.00		4.62	4.97
2000	5.85	5.92	6.22	6.03	5.94	7.62	8.36	5.77	7.52	9.23		5.73	6.24
2001	3.45	3.39	4.09	5.02	5.49	7.08	7.95	5.19	7.00	6.91		3.40	3.88
2002	1.62	1.69	3.10	4.61		6.49	7.80	5.05	6.43	4.67		1.17	1.67
2003	1.02	1.06	2.10	4.01		5.67	6.77	4.73	5.80	4.12	2.12		1.13
2004	1.38	1.58	2.78	4.27		5.63	6.39	4.63	5.77	4.34	2.34		1.35

¹ Rate on new issues within period; bank-discount basis.² Yields on the more actively traded issues adjusted to constant maturities by the Department of the Treasury. In February 2002, the Department of the Treasury discontinued publication of the 30-year series.³ Beginning December 7, 2001, data for corporate Aaa series are industrial bonds only.⁴ Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assuming, on the average, repayment at end of 10 years. Rates beginning January 1973 not strictly comparable with prior rates.

See next page for continuation of table.

TABLE B-64.—Changes in consumer price indexes for commodities and services, 1929–2004
[For all urban consumers; percent change]

Year	All items (CPI-U)		Commodities				Services				Medical care ²		Energy ³	
	Dec. to Dec. ¹	Year to year	Total		Food		Total		Medical care		Dec. to Dec. ¹	Year to year	Dec. to Dec. ¹	Year to year
			Dec. to Dec. ¹	Year to year	Dec. to Dec. ¹	Year to year	Dec. to Dec. ¹	Year to year	Dec. to Dec. ¹	Year to year				
1929	0.6	0			2.5	1.2								
1933	.8	-5.1			6.9	-2.8								
1939	0	-1.4	-0.7	-2.0	-2.5	-2.5	0	0	1.2	1.2	1.0	0		
1940	.7	.7	1.4	.7	2.5	1.7	.8	.8	0	0	0	1.0		
1941	9.9	5.0	13.3	6.7	15.7	9.2	2.4	.8	1.2	0	1.0	0		
1942	9.0	10.9	12.9	14.5	17.9	17.6	2.3	3.1	3.5	3.5	3.8	2.9		
1943	3.0	6.1	4.2	9.3	3.0	11.0	2.3	2.3	5.6	4.5	4.5	4.7		
1944	2.3	1.7	2.0	1.0	0	-1.2	2.2	2.2	3.2	4.3	2.6	3.6		
1945	2.2	2.3	2.9	3.0	3.5	2.4	.7	1.5	3.1	3.1	2.6	2.6		
1946	18.1	8.3	24.8	10.6	31.3	14.5	3.6	1.4	9.0	5.1	8.3	5.0		
1947	8.8	14.4	10.3	20.5	11.3	21.7	5.6	4.3	6.4	8.7	6.9	8.0		
1948	3.0	8.1	1.7	7.2	-8	8.3	5.9	6.1	6.9	7.1	5.8	6.7		
1949	-2.1	-1.2	-4.1	-2.7	-3.9	-4.2	3.7	5.1	1.6	3.3	1.4	2.8		
1950	5.9	1.3	7.8	.7	9.8	1.6	3.6	3.0	4.0	2.4	3.4	2.0		
1951	6.0	7.9	5.9	9.0	7.1	11.0	5.2	5.3	5.3	4.7	5.8	5.3		
1952	.8	1.9	.9	1.3	-1.0	1.8	4.4	4.5	5.8	6.7	4.3	5.0		
1953	.7	.8	-3	-3	-1.1	-1.4	4.2	4.3	3.4	3.5	3.5	3.6		
1954	-7	.7	-1.6	-9	-1.8	-4	2.0	3.1	2.6	3.4	2.3	2.9		
1955	.4	-4	-3	-9	-7	-14	2.0	2.0	3.2	2.6	3.3	2.2		
1956	3.0	1.5	2.6	1.0	2.9	.7	3.4	2.5	3.8	3.8	3.2	3.8		
1957	2.9	3.3	2.8	3.2	2.8	3.2	4.2	4.3	4.8	4.3	4.7	4.2		
1958	1.8	2.8	1.2	2.1	2.4	4.5	2.7	3.7	4.6	5.3	4.5	4.6	-0.9	0
1959	1.7	.7	.6	0	-1.0	-1.7	3.9	3.1	4.9	4.5	3.8	4.4	4.7	1.9
1960	1.4	1.7	1.2	.9	3.1	1.0	2.5	3.4	3.7	4.3	3.2	3.7	1.3	2.3
1961	.7	1.0	0	.6	-7	1.3	2.1	1.7	3.5	3.6	3.1	2.7	-1.3	4
1962	1.3	1.0	.9	.9	1.3	.7	1.6	2.0	2.9	3.5	2.2	2.6	2.2	4
1963	1.6	1.3	1.5	.9	2.0	1.6	2.4	2.0	2.8	2.9	2.5	2.6	-9	0
1964	1.0	1.3	.9	1.2	1.3	1.3	1.6	2.0	2.3	2.3	2.1	2.1	0	-4
1965	1.9	1.6	1.4	1.1	3.5	2.2	2.7	2.3	3.6	3.2	2.8	2.4	1.8	1.8
1966	3.5	2.9	2.5	2.6	4.0	5.0	4.8	3.8	8.3	5.3	6.7	4.4	1.7	1.7
1967	3.0	3.1	2.5	1.9	1.2	.9	4.3	4.3	8.0	8.8	6.3	7.2	1.7	2.1
1968	4.7	4.2	4.0	3.5	4.4	3.5	5.8	5.2	7.1	7.3	6.2	6.0	1.7	1.7
1969	6.2	5.5	5.4	4.7	7.0	5.1	7.7	6.9	7.3	8.2	6.2	6.7	2.9	2.5
1970	5.6	5.7	3.9	4.5	2.3	5.7	8.1	8.0	8.1	7.0	7.4	6.6	4.8	2.8
1971	3.3	4.4	2.8	3.6	4.3	3.1	4.1	5.7	5.4	7.4	4.6	6.2	3.1	3.9
1972	3.4	3.2	3.4	3.0	4.6	4.2	3.4	3.8	3.7	3.5	3.3	3.3	2.6	2.6
1973	8.7	6.2	10.4	7.4	20.3	14.5	6.2	4.4	6.0	4.5	5.3	4.0	17.0	8.1
1974	12.3	11.0	12.8	11.9	12.0	14.3	11.4	9.2	13.2	10.4	12.6	9.3	21.6	29.6
1975	6.9	9.1	6.2	8.8	6.6	8.5	8.2	9.6	10.3	12.6	9.8	12.0	11.4	10.5
1976	4.9	5.8	3.3	4.3	5	3.0	7.2	8.3	10.8	10.1	10.0	9.5	7.1	7.1
1977	6.7	6.5	6.1	5.8	8.1	6.3	8.0	7.7	9.0	9.9	8.9	9.6	7.2	9.5
1978	9.0	7.6	8.8	7.2	11.8	9.9	9.3	8.6	9.3	8.5	8.8	8.4	7.9	6.3
1979	13.3	11.3	13.0	11.3	10.2	11.0	13.6	11.0	10.5	9.8	10.1	9.2	37.5	25.1
1980	12.5	13.5	11.0	12.3	10.2	8.6	14.2	15.4	10.1	11.3	9.9	11.0	18.0	30.9
1981	8.9	10.3	6.0	8.4	4.3	7.8	13.0	13.1	12.6	10.7	12.5	10.7	11.9	13.6
1982	3.8	6.2	3.6	4.1	3.1	4.1	4.3	9.0	11.2	11.8	11.0	11.6	1.3	1.5
1983	3.8	3.2	2.9	2.9	2.7	2.1	4.8	3.5	6.2	8.7	6.4	8.8	-5	7
1984	3.9	4.3	2.7	3.4	3.8	3.8	5.4	5.2	5.8	6.0	6.1	6.2	2	1.0
1985	3.8	3.6	2.5	2.1	2.6	2.3	5.1	5.1	6.8	6.1	6.8	6.3	1.8	7
1986	1.1	1.9	-2.0	-9	3.8	3.2	4.5	5.0	7.9	7.7	7.7	7.5	-19.7	-13.2
1987	4.4	3.6	4.6	3.2	3.5	4.1	4.3	4.2	5.6	6.6	5.8	6.6	8.2	5
1988	4.4	4.1	3.8	3.5	5.2	4.1	4.8	4.6	6.9	6.4	6.9	6.5	5	8
1989	4.6	4.8	4.1	4.7	5.6	5.8	5.1	4.9	8.6	7.7	8.5	7.7	5.1	5.6
1990	6.1	5.4	6.5	5.2	5.3	5.8	5.7	5.5	9.9	9.3	9.6	9.0	18.1	8.3
1991	3.1	4.2	1.2	3.1	1.9	2.9	4.6	5.1	8.0	8.9	7.9	8.7	-7.4	4
1992	2.9	3.0	2.0	2.0	1.5	1.2	3.6	3.9	7.0	7.6	6.6	7.4	2.0	5
1993	2.7	3.0	1.5	1.9	2.9	2.2	3.8	3.9	5.9	6.5	5.4	5.9	-1.4	1.2
1994	2.7	2.6	2.3	1.7	2.9	2.4	2.9	3.3	5.4	5.2	4.9	4.8	2.2	4
1995	2.5	2.8	1.4	1.9	2.1	2.8	3.5	3.4	4.4	5.1	3.9	4.5	-1.3	6
1996	3.3	3.0	3.2	2.6	4.3	3.3	3.3	3.2	3.2	3.7	3.0	3.5	8.6	4.7
1997	1.7	2.3	2	1.4	1.5	2.6	2.8	3.0	2.9	2.9	2.8	2.8	-3.4	1.3
1998	1.6	1.6	4	.1	2.3	2.2	2.6	2.7	3.2	3.2	3.4	3.2	-8.8	-7.7
1999	2.7	2.2	2.7	1.8	1.9	2.1	2.6	2.5	3.6	3.4	3.7	3.5	13.4	3.6
2000	3.4	3.4	2.7	3.3	2.8	2.3	3.9	3.4	4.6	4.3	4.2	4.1	14.2	16.9
2001	1.6	2.8	-1.4	1.0	2.8	3.2	3.7	4.1	4.8	4.8	4.7	4.6	-13.0	3.8
2002	2.4	1.6	1.2	.7	1.5	1.8	3.2	3.1	5.6	5.1	5.0	4.7	10.7	-5.9
2003	1.9	2.3	.5	1.0	3.6	2.2	2.8	3.2	4.2	4.5	3.7	4.0	6.9	12.2
2004	3.3	2.7	3.6	2.3	2.7	3.4	3.1	2.9	4.9	5.0	4.2	4.4	16.6	10.9

¹ Changes from December to December are based on unadjusted indexes.

² Commodities and services.

³ Household fuels—gas (piped), electricity, fuel oil, etc.,—and motor fuel. Motor oil, coolant, etc., also included through 1982.

Note.—See Note, Table B-60.

Source: Department of Labor, Bureau of Labor Statistics.

Regarding the letter of Peter K. Ashion, be advised of the following

I did not have any fringe benefits other than a 401K and dental benefits while working at Ace Hardware I enclose the following documents:

Exhibit A. Ameritas benefit statement- Dentist charge-\$118.00 Plan pays \$57.00

Exhibit B. Ameritas benefit statement-Dentist charge \$680.00 Plan pays \$278.00

The plan pays \$325.00 of a total dental charge of \$798.00 or 42%.

I think it is reasonable to assume our yearly dental costs are \$4000.00 . Based on 42% , our yearly loss of dental benefits is at least \$1680.00. I am faced with a Peridental cost of at least \$3000.00 this year alone without including Phil's dental bills.

Regarding the 401K Plan, I was hired July 30,2001 at the hourly rate of \$12.00

Exhibit C. My wage was increased to \$12.50 as of 2-1-02

Exhibit D. My wage was increased to \$12.75 as of 4-12-02

Exhibit E. My wage was increased to \$13.00 as of 03-21-03

Exhibit F. My year to date earnings as of 03-02-03 was \$7438.49

Exhibit G. My wage was reduced to \$8.50 after my demotion from Floor Manager to part time Associate with loss of all benefits, however my 401K deduction remained at 10%.

I wish to stipulate, my hourly rate raised \$1.00 per hour from 7-30-01 to 03-21-03 or 8% in a period of 20 months. This equates to a yearly rate increase of . Approximately 4% .

Prior to the accident of Oct 14,2002 I always worked forty hours per week plus overtime of four hours at time and a half. After the accident my weekly hours continuously diminished until my employment was terminated 02-28-04.

.....

June 3, 2003

Page 2

2. Here is a list of all tasks Mr. Olafson performed around his house prior to the accident on October 14, 2002 which he can no longer do.

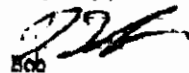
Outdoor Work

- 1 Mow the lawn-2 hours per week seasonal
- 2 Garden 3 hours per week seasonal
- 3 Wash windows 1 hour per week seasonal
- 4 Misc paint and repair house 2 hours per week seasonal
- 5 Seal coat driveway 6 hours per season
- 6 Trim trees bushes shrubs 1 hours per week seasonal
- 7 Spray trees bushes shrubs 4 hours per season
- 8 Aerate lawn 4 hours per season
- 9 Erect Christmas, Halloween, and various Seasonal Decorations 40 hours per season

Indoor Work

- 1 Vacuum clean floors 2 hours per week all year
- 2 Misc cleaning dusting scrubbing floors 4 hours per week all year
- 3 Misc painting, touch up, general household upkeep, 4 hours per week all year
- 4 Garbage removal ash blocks general repairs 2 hours per week all year

Very truly yours


Bob

BENEFIT STATEMENT

EXHIBIT 1

AMERITAS
LIFE INSURANCE CORP.AMERITAS LIFE INSURANCE CORP.
GROUP CLAIMS DEPARTMENT
P.O. BOX 82520
LINCOLN

NE 68501-2520

800-487-3553 (Toll-Free Number)

DATE: 4/18/2003
PAGE: 1 OF 1

www.YourDentalSolutions.com

E-mail Address: CLAIMS@AMERITAS.COM
(Please include claim# 01-21-081-5593-0)

No.	Date of Service	Proc Code	Pay Code	Service Description	Benefit Type	Submitted Charges	Covered Amount	Remain
	03/13/03	0120		EVAL-PERIODIC	PREV	28.00	28.00	
	03/13/03	0272		X-RAY,BITewing	PREV	28.00	28.00	
	03/19/03	1110		CLEAN - ADULT	PREV	61.00	61.00	
Benefit Summary								
					Submitted Charges	Covered Amount	Minus Deduct	Remain Coins
TOTAL PREV					118.00	118.00	0.00	118.00 100%
OTHER COVERAGE PAYMENT					61.00			
								TOTAL PAYABLE 118.00
								BENEFIT CREDIT 61.00
								PLAN PAYS 57.00
CHECK NO. 8790291 TO MEMBER								
BALANCE DUE TO YOUR DOCTOR UNLESS PREVIOUSLY PAID ** THIS IS NOT A BILL **								
								57.00
								57.00

REMARKS:

If benefit amounts released were reduced due to coinsurance percentages or deductibles, you may refer to the Schedule of Benefits in your certificate booklet for additional information.

Visit our website at www.YourDentalSolutions.com/provider to locate a contracted provider in your area.

PATIENT DEDUCTIBLE AND MAXIMUM INFORMATION:

YOUR REMAINING MAXIMUM FOR THE YEAR 2003 IS \$1,082.00.
IN ADDITION YOU HAVE \$61.00 IN YOUR BENEFIT CREDIT ACCOUNT AS A RESULT OF COORDINATING BENEFITS WITH ANOTHER CARRIER. THE BENEFIT CREDIT IS HELD IN RESERVE AND APPLIED TO ANY COVERED EXPENSES INCURRED BY THIS PATIENT FOR THE REMAINDER OF 2003 THAT ARE NOT PAID IN FULL UNDER BOTH PLANS.

QUESTIONS? Please call 800-487-3553 or write to the address above.
Our Customer Service hours are: 7 a.m.-Midnight (CT) M-TH, 7 a.m.-6:30 p.m. (CT) Fri

Plan Sponsor: BULKEMA ACE HARDWARE
Plan Member: ROBERT D CLAFSON
Patient : PATRICIA
Member SSN : 350-28-1920
Claim No : 01-21-081-5593-0 101

ROBERT D CLAFSON
13448 REDBERRY CIR
PLAINFIELD IL 60544-9362

Plan No : 0-28650-1-22-2
Provider: JAMES P HOFFMAN
128675A

06 714 244 1-01

Please retain this statement for tax purposes

Ex 41517-3



DATE: 8/07/2003
PAGE: 1 OF 1

AMERICAN LIFE INSURANCE CO.
GROUP CLAIMS DEPARTMENT
P.O. BOX 82520
LINCOLN NE 68501-2520
800-487-5552 (Toll-Free Number)

www.americanexpress.com

E-mail Address: CLAIMS@AMERITAG.COM
(Please include claim# 01-21-134-2760-1)

No	Date of Service	PROC CODE	Pay Service Code Description	Benefit Submitted Type Charges	Covered Amount	Remark Code
19	04/17/03	2750	CROWN	MAJOR	680.00	680.00
				Benefit Submitted	Covered	Minus
				Summary Charges	Amount	Product
TOTAL MAJOR				680.00	680.00	50.00
				680.00	680.00	
						Remain Co'n
						Amount % Amount
						632.00 50%
						316.00
						TOTAL PAYABLE
						316.00
OTHER COVERAGE PAYMENT				278.00		
						EXCEED MAXIMUM
						37.00-
						PLAN PAYS
						278.00
						PAYMENT WILL BE MADE TO YOUR DOCTOR
						278.00

REMARKS.

If benefit amounts released were reduced due to coinsurance percentages or deductibles, you may refer to the Schedule of Benefits in your certificate booklet for additional information.

THIS CLAIM HAS BEEN REVIEWED AS A RESULT OF ADDITIONAL INFORMATION RECEIVED. THE FEE ACCEPTED BY THE PRIMARY CARRIER REPRESENTS THE MAXIMUM PATIENT LIABILITY UPON WHICH COORDINATION OF BENEFITS IS CALCULATED.

QUESTIONS? PLEASE CALL 800-447-8553 OR WRITE TO THE ADDRESS ABOVE.
Our Customer Service hours are: 7 a.m.-Midnight (CT) M-TH, 7 a.m.-6:30 p.m. (CT) Fri.

Plan Sponsor: SUIKEMA ACE HARDWARE
Plan Member: ROBERT J OLAFSON
Patient : PATRICIA
Member SSN : 350-26-1920
Claim No : 01-21-134-2760-1 TOI

ROBERT D OLAFSON
13448 REDBERRY CIR
PLAINFIELD IL 60544-9362

Plan No : 0-25650-1-32-2
Provider: JAMES P HUFFMAN

Please retain this statement for tax purposes

buikema's ACE

Family Owned Since 1948

Hardware Centers**WAGE INCREASE NOTICE**Name: Robert Olson Store #: NW Date: 1-12-02

Dear Valued Ace Team Member:

Your current wage is \$ 12.00 per hour. As of 2-1-02, your new wage will be \$ 12.50 per hour. This increase will be reflected in your paycheck of 2-22-02

YOUR EFFORTS ARE EFFECTIVE!
HAPPY CUSTOMERS = HAPPY RETURNS
KEEP UP THE GREAT WORK!

☒ Review .50
☐ ACHR _____
☐ Merit _____
Total .50

Sincerely,

C. JAY BUIKEMA KYLE J. BUIKEMA
President/CEO Vice President
(Please keep your salary confidential)

EXHIBIT D

buikema's ACE *Family Owned Since 1948* **Hardware Centers**

WAGE INCREASE NOTICE

Name: Bob Olafson Employee #: 01920 Store #: 10602 Date: 4-11-02

Dear Valued Ace Team Member:

Your current wage is \$12.50 per hour. As of 4.12.02, your new wage will be \$12.75 per hour. This increase will be reflected in your paycheck of 5-3-02.

YOUR EFFORTS ARE EFFECTIVE!
HAPPY CUSTOMERS = HAPPY RETURNS
KEEP UP THE GREAT WORK!

☐ Review
☒ A.C.H.R. 26
☐ Merit
☐ Promotion
 Total 26

Sincerely,

C. Jay Buikema
 C.E.O.

Kyle J. Buikema
 President

03/21/03

01920 ROBERT D OLAFSON

350261320

PAYROLL CHECK
 CK. N 00044182

EXHIBIT E

REGULAR	13.00/HR	70.91	921.83	BIK DED	10.70	92.10
				ENTAL FAMILY		25.70

	GROSS	FEDERAL	FICA	STATE	CITY	SDI	DED.
02/20/03 - 03/13/03	921.83	8.66	68.55	16.50			117.96
YEAR-TO-DATE	5,297.52	65.21	394.06	92.94			576.21

STORE#10602 DEPT. #
 STATEMENT OF EARNINGS AND DEDUCTIONS

DETACH AND RETAIN FOR YOUR RECORD

710.16

05/02/03 01920 ROBERT D OLAFSON 350261920 PAYROLL CHECK CK. # 00045080

EXHIBIT F

REGULAR	13.00/HR	34.57	70.01	10 90	70.01
			DENTAL FAMILY		25.70

04/11/01 - 04/14/02	GROSS	FEDERAL	FICA	STATE	CITY	SDI	DED.
YEAR-TO-DATE	7,438.40	65.21	551.92	125.56			907.27

STORE #10602 DEPT. #

STATEMENT OF EARNINGS AND DEDUCTIONS DETACH AND RETAIN FOR YOUR RECORDS

548.00

05/16/03 01920 ROBERT D OLAFSON 350261920 PAYROLL CHECK CK. # 00045646

EXHIBIT G

REGULAR	8.50/HR	33.51	369.04	10 90	36.90
			No FAMILY DENTAL		

04/25/03 - 05/08/03	GROSS	FEDERAL	FICA	STATE	CITY	SDI	DED.
YEAR-TO-DATE	7,806.33	65.21	580.22	127.95			1004.63

STORE #10602 DEPT. #

STATEMENT OF EARNINGS AND DEDUCTIONS DETACH AND RETAIN FOR YOUR RECORDS

302.19

CERTIFICATE OF SERVICE

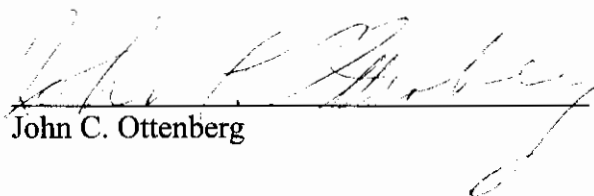
I, John C. Ottenberg, hereby certify that I served a copy of the within pleading by first class mail on this date, addressed as follows:

Bruce R. Fox, Esq.
278 Midstate Office Park
Auburn, MA 01501

John F. Leahy, Jr., Esq.
Long & Houlden
100 Summer Street
Boston, MA 02110

Judith Leggett, Esq.
Morrison Mahoney LLP
250 Summer Street
Boston, MA 02210-1181

Signed under the pains and penalties of perjury this 25th day of July, 2005.


John C. Ottenberg